

Russia's Resurgent Interest in Africa: The Cases of Zambia and Tanzania

DZVINKA KACHUR



Executive summary

The Russia-Africa Summit heralded Russia's new strategy for the continent. Despite the pandemic, Russia has established a number of institutions that should take the implementation of its strategy forward. While some of this engagement takes place at the multilateral level, much of it is occurring bilaterally. This special report tracks two such relationships - that of Russia with Tanzania and with Zambia. It shows that the two relationships have gained strength from historical ties that date back to the Soviet Union era, but are also firmly rooted in the Putin regime's attempts to further its priorities. These include the need to generate business for Russian companies, which increasingly encounter resistance in the rest of the world. In the face of hostility from Western countries, much of this expansion is happening in Africa. Russia aims to double its trade with African countries and has already achieved some success in Zambia and Tanzania. However, more systemic engagements are needed, and new institutions should provide the backbone for business collaborations and investments. The report maps the main Russian entities active in Tanzania and Zambia, and traces their history there. It also outlines the main areas of engagement, including nuclear, military and COVID-19 vaccine provision. While Russia entertains sizable African ambitions, its relationships with Zambia and Tanzania - beyond political declarations and memorandums of understanding - remain very limited. This reveals some of the hurdles to Russia's current drive for greater influence in the Global South

Abbreviations & acronyms

AECAS Association of Economic Cooperation with African States

AFRIC Association for Free Research and International Cooperation

ARMZ AtomRedMetZoloto

CAR Central African Republic

CNST Centre for Nuclear Science and Technology

EPC engineering, procurement and construction

FSB Federal Security Service

GDP gross domestic product

GSPI Russian State Specialised Design Institute

IAEA International Atomic Energy Agency

IMF International Monetary Fund

IPG Independent Petroleum Group

ISNST Interim Secretariat for Nuclear Science Technology

IT information technology

LITASCO Lukoil International Trading and Supply Company

MoU Memorandum of Understanding

MINUSCA Multidimensional Integrated Stabilization Mission in the CAR

REC Russian Export Centre

RTCC Russian-Tanzanian Cultural Centre

TANESCO Tanzania Electric Supply Company Limited

TPDC Tanzania Petroleum Development Corporation

TRS Tanzanian Revenue Service

ZAMATOM Zambia Atomic Energy Agency

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Cover image

Russian President Vladimir Putin meets with Zambia's President Edgar Lungu on the sidelines of the 10th BRICS summit on July 26, 2018 in Johannesburg, South Africa (Vladimir Astapkovich/AFP via Getty Images)

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CHAPTER 1

Introduction

The Russian Federation has increased its efforts to promote its political and economic presence in Africa since the 2019 Russia-Africa Summit. In 2020, despite the COVID-19 pandemic, it continued developing new institutions that promote Russia-Africa cooperation.

Leveraging the historical cooperation between Africa and the Soviet Union, Russia is expanding its geopolitical influence on the continent. During the Cold War the Soviet Union supported anti-colonial movements and propped up pro-socialist governments to strengthen its position. After the collapse of the Soviet Union, Russia became preoccupied with internal challenges linked to the market economy transition and lost its position on the continent to China and others.

Since Vladimir Putin's ascendency to power in 2000, he has been on a mission to rebuild 'Great Russia' – a controlled, centralised state with a geopolitical influence similar to (or greater than) that of the Soviet Union. By regaining control over key strategic industries linked to natural resources and energy generation, Putin now controls domestic politics and leverages geopolitical power.¹ While there has been a lot of media reports about Russian cooperation with African countries, Russian geopolitics remains far more focused on neighbouring post-Soviet countries, the EU and the US.

There have been a few turning points in the Russia-Africa relationship. First, in 2006 Putin made his first visit to Southern Africa. At that stage, one of Russia's main offerings, apart from military cooperation, was nuclear technology. In 2012 <u>Rosatom</u>, Russia's state nuclear energy corporation, opened an office in South Africa and started promoting nuclear power stations as a solution to many African countries' energy generation issues.

Second, in 2014 Russia occupied Ukrainian territory - Crimea - and deployed troops in eastern Ukraine. The resultant EU and US sanctions against Russian businesses and individuals in 2014 have raised barriers to Russia's economic presence in the US and EU markets. In a search for new markets, it has turned to the African continent. New institutions such as the Russian Export Center (REC) and more clandestine organisations such as the Association for Free Research and International Cooperation (AFRIC), Internet Research Agency and Wagner Group have been established to increase its footprint, including in Africa.

Third, the 2019 Russia-Africa Summit heralded a new strategy that should 'at least double the trade between the Russia and Africa'.² Russia is promoting its unique offerings: political

Timothy Snyder, *The Road to Unfreedom: Russia, Europe, America* (London: Tim Duggan Books, 2018).

² Russia-Africa Summit, "Address by the President of the Russian Federation Vladimir Putin", October 23, 2019.

support, lobbying power at the UN, military cooperation and technology to develop natural resources. This cooperation is based on the principle of respect for sovereignty, which encompasses an acceptance of non-democratic governance. This is especially attractive to those African leaders who are prone to undemocratic practices.

In 2020 new tensions between Russia and the West were triggered by the poisoning of <u>Alexei Navalny</u>, the leader of the Russian opposition. This led to even more sanctions, and – in tandem with the effects of the global COVID-19 pandemic – brought the Russian economy to an 11-year low³. While this has meant that the African continent has received less priority in geopolitical terms, the need for economic cooperation remains high. In light of the second Russia–Africa Summit scheduled for October–November 2022 in Addis Ababa, Ethiopia the presence of Russian interests on the continent will remain steady.

Tanzania and Zambia, with their considerable natural resources, are attractive partners for Russia, which can offer support in developing these natural resources. This, in turn, could help to address the high levels of poverty in these countries.

Tanzania, rich in gold, diamonds and gas, is the third-largest economy in East Africa with impressive gross domestic product (GDP) growth. Late president John Magufuli ushered in an ambitious industrialisation drive that includes constructing a new railway line, reviving the national airline and building a hydropower plant. This industrialisation drive is funded by Chinese loans, and Tanzania still struggles to ensure that its people have access to electricity and nutrition.

Zambia, with a population of almost 18 million and a GDP of \$24 billion, is Africa's second-largest copper producer. Copper is also its main export product. The country's weakest point is its energy sector, as it has to import all its fuel. To address this challenge, in 2016 the country launched a nuclear programme with Rosatom and began building the Kafue Gorge hydroelectric dam. Such megaprojects require significant funding and Zambia has turned to Chinese and Russian loans. Zambia's state electricity company, ZESCO, borrowed more than \$1 billion from China for the Kafue Gorge projects.⁴ and Brookings analysts estimate that the country has external debt of 65.8% of GDP. In July 2020 Zambia called on Chinese President Xi Jinping for 'debt relief and cancellation', and in February 2021 the International Monetary Fund (IMF) and Zambia discussed the management of the country's financial obligations.⁵

Both Zambia and Tanzania tried to build socialist societies with a state-controlled economy, but later transitioned to a multi-party market economy. For many years they were 'donor darlings', and are currently part of the <u>Heavily Indebted Poor Countries</u> initiative managed by the World Bank and IMF.

World Bank, <u>Recession and Growth Under the Shadow of a Pandemic</u>, Russian Economic Report 43 (Washington DC: World Bank, 2020)

⁴ Jean-Christophe Servant, "China Steps In as Zambia Runs Out of Loan Options", The Guardian, December 11, 2019.

⁵ Joe Bavier and Karin Strohecker, "An Election, a Mine Deal and China Loom over Zambia's IMF Talks", Reuters, February 11, 2021.

Despite historical links, Russia has little presence in the Tanzanian gas and the Zambian copper industries. It is also not among their major export or import partners (see Table 1).

TABLE 1 TANZANIA, ZAMBIA, SOUTH AFRICA, RUSSIA AND CHINA'S KEY INDICATORS					
	Tanzania	Zambia	South Africa	Russia	China
Population (million)	58 005	17 861	58 558	145 734	1 433 784
GDP (\$ million)	64,333	24,526	351,720	1,629,198	14,227,968
GDP growth, %	6.95	1.51	0.19	2.30	6.1
Life expectancy (years)	65.5	63.9	64.1	72.6	76.9
Poverty level, %	26.4 (2017)	54 (2015)	55.5 (2014)	12.6 (2018)	0.6 (2019)
Top 5 export partners	IndiaAlgeriaUAE*DRC**South Africa	ChinaSwitzerland & LiechtensteinDRCNamibiaIndia	ChinaGermanyUSUKJapan	ChinaNetherlandsGermanyBelarusTurkey	USChina/Hong KongJapanKoreaVietnam
International Corruption Perception Index 2020, score/rank	38/94	33/117	44/69	30/129	42/78

Note: * United Arab Emirates, ** Democratic Republic of Congo

Source: Transparency International, "Corruption Perceptions Index", 2020.; UN Department of Economic and Social Affairs, World Population Prospects 2019, Volume II: Demographic Profiles (New York: UN, 2019).

This special report looks at Russia's historical, political, military and economic connections with Tanzania and Zambia.

Historical connections between Tanzania, Zambia and the Soviet Union

Russia deploys a narrative about the Soviet Union's important role in the anti-colonial movement and its close connections with African states. Both Zambia and Tanzania were important partners of the Soviet Union from 1960–1980. The Soviet Union provided financial resources and academic scholarships to socialist countries and low-income economies in return for their political support on geopolitical issues.⁶ While its focus was more on military cooperation than economic aid,⁷ some of these academic and cultural connections still remain.

Russia deploys a narrative about the Soviet Union's important role in the anti-colonial movement and its close connections with African states. Both Zambia and Tanzania were important partners of the Soviet Union from 1960–1980

Tanzania⁸ and Zambia were liberated from British colonial rule in 1961 and became independent countries in 1964. They immediately established diplomatic relations with the Soviet Union and China, which, unlike Western countries, did not hesitate to recognise newly independent states. In 1965 Russia, Tanzania and Zambia established embassies and appointed their first diplomats in Moscow and Dar es Salaam and Lusaka, and later trade representatives.⁹

Two strong leaders – Julius Nyerere in Tanzania and Kenneth Kaunda in Zambia – came to power and played an important role in fighting for freedom and regional unity on the continent. They used their relationship with the Soviet Union to support national liberation movements in South Africa, Mozambique, South Rhodesia (now Zimbabwe) and South-West Africa (now Namibia). While both leaders promoted socialism, they were never very close to Moscow.

Vladimir Bartenev and Elena Glazunova, "International Development Cooperation Set of Lectures" (Moscow: World Bank, 2013).

Layi Abegunrin, "Soviet and Chinese Military Involvement in Southern Africa", A Current Bibliography on African Affairs 16, no. 3 (1984): 195-206.

⁸ After independence in 1961, Tanganyika and Zanzibar united and formed the United Republic of Tanzania in April 1964.

⁹ Russian Federation State Archive, "The List of Institutions, Organisations and Their Departments Transferred by Ministry of Economic Development of Russia to the Russian State Archive of Economics" (Moscow: Russian Federation, 1991).

Soviet Union and Tanzania: Cooperation

Nyerere never officially visited Russia and the media at the time suggested that he had vowed 'that his country [would] not accept Russia as the dominant power in Africa'. Nyerere launched *Ujamaa* (Swahili for 'familyhood') politics based on socialist principles and the idea of *kujitegemea* (self-reliance). The state was strongly involved in economic development and promoted the collectivisation of land and use of a common language, Kiswahili. Nyerere managed to unite the country and secure the independence of Tanzania from colonial rule, but the imposition of a single-party system meant that repression and censorship were used to maintain control.

Chama Cha Mapinduzi (Party of the Revolution) has been in power since independence. Nyerere's presidency coincided with an intensive – and ultimately unsuccessful – search for oil and gas by BP and Shell that started in the 1950s. In 1969 the <u>Tanzania Petroleum Development Corporation</u> (TPDC) was established, and in 1974 Tanzania finally discovered deep-water gas reserves near the coast bordering Mozambique. However, the country struggled to develop its natural resources as it was not attractive to private foreign companies due to a period of nationalisation in the 1970s. Economic hardship at the end of the 1970s forced Nyerere to open negotiations with the IMF and step away from strict socialist governance. Yet Nyerere's legacy of socialism is still very present in Tanzania and plays an important role in political debates. 13

The Soviet Union supported Tanzania during the <u>Uganda-Tanzania War</u> and helped Nyerere to developed the country's defence system. Over 300 Tanzanian soldiers studied military science in the Soviet Union, and over 1 000 Soviet soldiers trained in Tanzania. In the 1980s the Soviet Union supplied it with an air defence system (Pechora-M), MiG-21 aircraft, T-55 tanks and armoured personnel carriers, as well as other equipment. The estimated cost of the military hardware was about \$500 million.¹⁴

When Nyerere stepped down in 1985, Tanzania's economy was under severe pressure and newly elected president Ali Hassan Mwinyi (1985-1995) initiated neoliberal reforms to improve the country's macroeconomic indicators. As a result, in 1992 Tanzania's National Energy Policy allowed private sector involvement. However, commercial development was hobbled by the corruption scandal linked to the Tanzania-Malaysia public-private partnership company Independent Power Tanzania Limited, which was accused of mismanagement, bribery and inflated prices.¹⁵ Tanzania became one of the largest aid

^{10 &}quot;Africa: What the Russians Are Up To", Time, April 4, 1977.

¹¹ Nic Cheeseman, Hilary Matfess and Alitalali Amani, "Tanzania: The Roots of Repression", Journal of Democracy 32, no. 2 (2021): 77-89.

^{12 &}quot;Truth about Tanzania's IMF, WB Engagements", The Citizen, May 11, 2021.

¹³ Africa is a Country TV, "Do the Ideas of Julius Nyerere Still Resonate with Ordinary Tanzanians?", YouTube, 2020).

^{14 &}quot;Minister Hopes Russia-Tanzania Military Ties to Resume after 20-Year Break", TASS, July 2, 2013.

¹⁵ Rasmus Hundsbaek Pedersen and Peter Bofin, "The Politics of Gas Contract Negotiations in Tanzania: A Review" (Working Paper 2015:3, Danish Institute for International Studies, Copenhagen, 2015).

recipients in Africa – a so-called 'donor darling' – but failed to fulfil expectations of fast economic development.¹⁶

Soviet Union and Zambia: Cooperation

Kaunda, unlike Nyerere, visited Russia twice, in 1974 and 1987, but kept the Soviet Union at a distance and disagreed with Soviet support for Angola. He was in power for almost three decades, until 1991. Kaunda popularised the concept of 'Zambian humanism' and used the motto 'One Zambia, One Nation' to unite 73 tribal and ethnic groupings in the country.

The first decade of Kaunda's presidency (1964–1975) saw the most active economic and industrial cooperation between Russia and Zambia. Visits to Moscow by high-level Zambian officials started almost immediately after independence, first by minister of finance Arthur Wina (December 1965) and then by vice-president Reuben Kamanga and an official delegation (August 1966). Intergovernmental agreements on cultural cooperation (1966) and economic and technical cooperation (1967) were signed. As a result of the latter Russia was involved in the construction of four diesel power stations in Zambia's North-Western province. In 1971 another agreement was signed to promote trade cooperation.¹⁷

In 1977 the two countries established a direct air route between Lusaka and Moscow. They also signed the Protocol on Recognition of Qualifications and Academic Degrees, which allowed Zambian students to be enrolled in the Russian educational system.

In the 1970-80s, the Soviet Union provided a significant amount of 'military aid, aircraft, arms and heavy equipment supplies totalling, according to the Russian Embassy, hundreds of millions of dollars' and supported the Zambian Defence Force through professional training. Like Tanzania, Zambia used Soviet loans to buy mostly military equipment and initiate infrastructure projects.

Political cooperation between the two countries waned at the beginning of the 1990s, when the Soviet Union collapsed and Frederick Chiluba was elected president of Zambia. Chiluba, of the Movement for Multi-Party Democracy, ended Zambian humanism and opened the country to a free-market economy and privatisation. The new government was, however, still indebted to Russia.

¹⁶ Aili Mari Tripp, "Donor Assistance and Political Reform in Tanzania" (Working Paper, UNU-WIDER, Helsinki, 2012), 1.

^{17 &}quot;Russian-Zambian Diplomatic Ties Keep Growing for 50 Years", Russian Embassy News, October 3, 2014.

¹⁸ Embassy of the Russian Federation in Zambia, "Bilateral Cooperation".

¹⁹ Embassy of the Russian Federation, "Bilateral Cooperation".

The Soviet heritage and its impact on the Russia-Africa relationship

Institute for African Studies

One of the oldest institutions involved in promoting Russia-Africa relationships is the Institute for Africa Studies of the Russian Academy of Sciences. The institute was established in 1959 and consists of 13 research units with over 100 academic staff members.²⁰ The state-funded institute has also developed connections with other academic institutions on the continent.

The institute was one of the co-organisers of the Russia-Africa Summit, and currently is tasked with coordinating academic collaboration within the newly established Russia-Africa Partnership Forum. In 2021 the institute co-organised two conferences on Tanzania-Russia cooperation and announced a 2022 conference on 'Leadership and Power in Africa in the Past and the Present: Studies in Russia, Tanzania and Beyond'.²¹ The 2022 conference is being organised in partnership with the Russian-Tanzanian Cultural Centre in Dar es Salaam, which is managed by Rossotrudnichestvo.

The institute is a repository of information on the Soviet Union's presence on the continent and can serve as a bridge between past and present Russian initiatives.

The other holdover from the era of Soviet-Africa cooperation is the connection with Russian educational institutions.

Rossotrudnichestvo

Currently, all scholarships for foreign students in Russia are managed by the Federal Agency for the Commonwealth of Independent States, Compatriots Living Abroad and International Humanitarian Cooperation (Rossotrudnichestvo). It is an autonomous Russian federal government agency under the jurisdiction of the Russian Ministry of Foreign Affairs, established in 2008 by presidential decree.²² Rossotrudnichestvo is tasked with implementing the state policy of international humanitarian cooperation, promoting Russia's image abroad, and dealing with expatriates.

While the most popular destinations for Zambian and Tanzanian students are South Africa, India, the US, the UK, Namibia and Australia,²³ an estimated 6 000 Zambians have graduated from Russian universities where 'they [were] immersed in Russian culture'.²⁴ In 1986 the Association of Friendship (later renamed the Association of Friendship between

²⁰ Institute for African Studies of the Russian Academy of Sciences.

Institute for African Studies of the Russian Academy of Sciences, "March1-4, 2022 International Conference "Leadership and Power in Africa in the Past and the Present: Studies in Russia, Tanzania and Beyond", April 14, 2021.

²² Rossotrudnichestvo, "About Rossotrudnichestvo".

²³ UNESCO Institute for Statistics, "Global Flow of Tertiary-Level Students", 2021.

^{24 &}quot;RPT: Russia, Zambia to Boost Education Cooperation Despite COVID-19 Crisis - Rossotrudnichestvo", Sputnik News Service, November 26, 2020.

Zambia and Russia) was established, which connects Russian universities with alumni from Zambia.²⁵

Russia currently provides 15 000 international scholarships covering tuition fees, a stipend of \$22 per month, and accommodation. According to the Russian Federal State Statistics Institution, in 2020 Zambia, with 600 scholarships, had the fourth-most students studying in Russia of all African countries, and the most of sub-Saharan African countries. In April 2020, when Zambia's Minister of Higher Education Dr Brian Mushimba symbolically received 138 scholarships from the Russian ambassador, the embassy stated that there had been considerable competition for scholarships that year – nine people per place. Zambian students' main fields of study are medicine, agronomy and engineering. Specialists in the peaceful use of atomic energy are being trained for a promising project by the Centre for Nuclear Science and Technology (CNST) and the Zambia Atomic Energy Agency (ZAMATOM).

The number of students from Tanzania is significantly lower – around 100.³⁰ A graduate association, the Union of Tanzania, was officially established in 1987, but is mostly inactive.³¹

Rossotrudnichestvo's activities abroad are regulated by diplomatic agreements, and it is thus limited in terms of type and location of activities. There are Rossotrudnichestvo centres in only eight African countries, two of which are in Tanzania and Zambia.³² The Russian Centre of Science and Culture opened in Lusaka in 1989, providing Russian language classes, organising political and cultural activities and serving as a 'home' for the Russia-Zambia alumni association in Zambia.

The Russian-Tanzanian Cultural Centre (RTCC) in Dar es Salaam celebrated its 30th anniversary in December 2020. Besides activities similar to those at the Zambian centre, it also manages the Swahili radio programme 'Tuikumbukie Urusi', aired on Radio Tumaini every Saturday, covering various Russian topics. These centres work in close cooperation with the embassies and serve as a platform for all cultural and alumni events.

²⁵ Lyubov Prokopenko, "<u>Russia-Zambia: Stages and Horizons of Cooperation</u>", Journal of the Institute for African Studies (February 20, 2019): 5-16

²⁶ StudyInRussia, "Russian Government Scholarships", December 19, 2018.

²⁷ The most students are coming from Morocco (2 700), Nigeria (1 500) and Cameroon (700).

²⁸ Embassy of the Russian Federation in Zambia, "Russia Allocates 138 Scholarships to Zambia to Study at Its National Universities", 2020.

²⁹ Embassy of the Russian Federation, "Russia Allocates 138 Scholarships".

Duma, "Legislative Support of Trade and Economic Cooperation between Russia and African Countries", in International Forum:

Development of Parliamentarism (Moscow: Duma, 2019), 34.Africa has become the only region in the world to consistently increase the import of goods from Russia, first of all-those of non-commodity and non-en-ergyportfolio. The structure of Russia's export to Africa is now becoming one of the incentives for adding value and developing export-oriented non-commodity sectors economy. Over the past three years, Russian exports to Africa have doubled. Despite its steady growth and non-commodity (and therefore more sustainable

³¹ RUDN University, "Alumni and Friends Association", 2021.

³² The eight centres are in Egypt (Alexandria and Cairo), Ethiopia, Tanzania, Morocco, Zambia, the Democratic Republic of Congo, Tunisia and South Africa.

Rossotrudnichestvo is also actively cooperating with other institutions and fortifying key narratives on Russia's support for decolonisation. For example, in November 2020 the RTCC/Rossotrudnichestvo and the Institute for African Studies organised an online conference, 'History and Outcomes of Decolonisation', focused on the 60th anniversary of the 'Declaration of the UN General Assembly on the Granting of Independence to Colonial Countries and Peoples'.³³

In June 2020 the first online 'Russia-Tanzania' forum was held, coordinated by multiple institutions, including Rossotrudnichestvo, the <u>Association of Economic Cooperation with African States</u> (AECAS), <u>Gazprombank</u>, Rosatom (<u>Rusatom Overseas</u>), <u>Alrosa</u>, Innopractica Foundation, the REC and the 'Tanzania-Russia' association. The 'Tanzania-Russia' association, which consists of the members of the Chamber of Commerce of Tanzania and alumni of Russian universities, is in the process of formal registration with the support of the Russian Embassy and Rossotrudnichestvo.³⁴

Russia-Tanzania/Zambia debt management

Outstanding loans issued by the Soviet Union is one more factor that plays role in the current Russia-Africa relationship. As a result of support provided by the Soviet Union, many African countries incurred considerable debt, which, according to the Soviet Vneshtorgbank (now <u>VTB Bank</u>), amounted to \$21 billion in 1991. Algeria, Angola, Libya, Mozambique and Ethiopia were the main debtors.³⁵

Russia's transition to a market economy provided opportunities for new modes of engagement, and joint enterprises were established with African countries. As it inherited the Soviet Union's debtors, it tried to gain some economic benefit from this. In 1994, for example, Russia agreed to transfer \$35 million of Tanzania's debt in local shillings to an account opened at the Bank of Tanzania belonging to the Russian national development bank Vnesheconombank. These funds were intended for investment projects in Tanzania:³⁶

- The construction of the Sheraton hotel, via Tanruss Investment Ltd in Dar es Salaam;
- A gold mining joint venture, Zira Mining International Ltd, established by Russian Mining Co and Tanzania's Top Knock International Ltd and state mining corporation STAMICO; and
- A gold, diamond and gemstone processing export-oriented project by Russia's Geostar Ltd and Tanzania's Lenkhel International Ltd.

In total, 13 projects were listed in the agreement.

³³ Rossotrudnichestvo, "Rossia i Tanzania Razvivaut Economicheskoe i Obrazovatelnoe Sotrudnichestvo" [Russia and Tanzania Are Developing Economic and Educational Cooperation], 2020.

Rossotrudnichestvo, "Rossia i Tanzania Razvivaut". https://rs.gov.ru/ru/news/71702.

^{35 &}quot;Kak Rossia Spisyvala Dolgi Stranam Afriki" [How Russia Wrote off the Debts of African Countries], TASS, 2019.

Government of Russia, "Agreement Between the Government of the Russian Federation and the Government of the United Republic of Tanzania on Settlement of the Debt of the United Republic of Tanzania under the State Credits", N 667, 15 June 1994.

The way in which Russia practised debt management in Tanzania soon became an example of how wildly capital was transferred from national into private hands in post-Soviet Russia

The way in which Russia practised debt management in Tanzania soon became an example of how wildly capital was transferred from national into private hands in post-Soviet Russia. The Sheraton hotel in Dar es Salaam was built by Technostroiexport,³⁷ a company registered in 1994 that established Tanruss locally. In 2001 the Accounting Chamber of Russia raised concerns about the implementation of this agreement, as shares in the newly established Tanruss were not in the name of the Russian Federation.³⁸ A corruption scandal followed an investigation into Russia–Tanzania debt management and investment practices, and Russian involvement in the projects ended.

Similar debt management agreements were signed with Zambia. In 1998 the Russian ambassador stated that his government had invested \$3.8 million in Zambian projects. While he did not specify which projects, two joint enterprises had been established at the time: Ural GoldPlatinum Company and Volga-Geologia. In 1999, with the participation of JSC Kalashnikov Concern (at the time known as the Izhevsk Machine-Building Plant), the Baikal-Africa company was established to trade sports and hunting weapons.³⁹ While this venture was unsuccessful,⁴⁰ a company under this name still exists.

In 1997 the Russian Federation, under president Boris Yeltsin, joined the group of major creditor countries – the Paris Club.⁴¹ As part of the Paris Club, Russia signed an agreement to reduce the Soviet debt of the poorest African countries by 60–90%, consolidated on 31 March 1999. The Paris Club agreed on comprehensive rescheduling, in two stages: rescheduling debt servicing payments falling due over a specified number of years, and restructuring all remaining obligations on the covered stock of debt. This restructuring was exceptional, as it was a stock-of-debt rescheduling on non-concessional terms.⁴²

This might look illogical as, in the mid-1990s, after moving to a market economy, Russia was on the edge of default itself. In 1995 Anatoly Chubais, at the time Russia's deputy prime minister for economic and financial policy, described the thinking behind joining the Paris

³⁷ Technostroiexport, "About the Company Technostroiexport".

³⁸ Sovremennaya Rossiya, "Счетная Палата Выявила Нарушения, Допущенные При Урегулировании Долга Танзании Перед Бывшим СССР" [The Accounting Chamber of Russia Identifies Violations in Tanzanian Debt Regulation], 2001.

³⁹ Russia-Africa Business Council.

⁴⁰ Prokopenko, "Russia-Zambia: Stages and Horizons".

The Paris Club is a group of representatives of major creditor countries whose role it is to find coordinated and sustainable solutions to payment difficulties experienced by debtor countries.

⁴² Enrique Cosio-Pascal, "The Emerging of a Multilateral Forum For Debt Restructuring: The Paris Club" (Discussion Paper 192, UNCTAD, November 2008).

Club as an opportunity to triple debtor countries' repayments to Moscow, increasing these to \$500 million a year from less than \$200 million.

In August 2001 Russia signed various bilateral agreements, writing off as much as 80% (\$560 million) of Zambia's debt obligations, according to Zambia's then minister of finance and economic development Katele Kalumba.⁴⁴ The remaining debt, amounting to \$138.3 million, was supposed to be repaid in deferred instalments over the next 33 years. However, not many repayments were made.

In 2006 Russia officially became a global donor after accepting the presidency of the G8 and hosting the G8 summit in Saint Petersburg. In 2007 Putin approved the 'Concept of Russia's Participation in International Development Assistance', which focuses on debt relief to African countries. Under the HIPC Initiative Russia intended to cancel Zambia's entire debt. The conditions of the debt cancelation were set out in an agreement signed on 28 February 2011. According to the agreement, the outstanding balance of \$99.2 million would be consolidated in a special account, used exclusively to finance various development projects in Zambia focused on curbing energy poverty, developing healthcare, increasing social security and quality of education, etc. The specific projects were expected to correspond to Zambia's Sixth National Development Plan (2011–2015).⁴⁵

In a similar agreement, Tanzania's debt to Russia was also restructured, and 80% of the \$586 million was written off.

The relevant projects were expected to be implemented by 2016, but negotiations around them with both Zambia and Tanzania still continue. During the Russia-Africa Summit, Russia's deputy minister of finance called on Zambia to follow the example of Madagascar,⁴⁶ where Russian companies were given access to natural resources in exchange for funds owed.⁴⁷ He mentioned that there had been some progress in implementing a 'debt-for-development' programme in Tanzania.

However, the Tanzanian debt management issue has not been resolved yet.

At the end of 2016 the Russian minister of finance shared a list of equipment that Russian companies could provide to the country. Tanzania opted for the supply of chemistry equipment to 500 schools, a project valued at \$5 million. In 2018 Tanzania was about to announce the procurement tender for the equipment, but it had to be cancelled as the procurement condition of exclusivity in favour of Russian companies had not been

^{43 &}quot;Russia Joins Paris Club of Creditors", The Washington Post, September 18, 1997.

^{44 &}quot;Russia Writes Off Zambia's 560-Million Dollar Debt", ITAR-TASS, August 25, 2001,

⁴⁵ Embassy of the Russian Federation, Bilateral Cooperation".

^{46 &}quot;The Ministry of Finance called on Zambia and Ethiopia to work within the "debt for development" programme" [V Minfine prizvali Zambiu I Efiopiu rabotat po programme" dolg v obmen na pomosch"], TASS, October 24, 2019.

⁴⁷ Andrey Maslov, "No Sentiment, All Pragmatism as Russia Unveils New Approach to Africa", Carnegie Moscow Center, October 31, 2019.

satisfied.⁴⁸ During the Russia-Africa Summit, Russia and Tanzania re-negotiated the same proposal, but no agreement was reached, and the decision was postponed to June 2020. According to some reports, Russia is interested in an alternative deal – the <u>Tanzania-Zambia Railway</u>.⁴⁹ An April 2021 presentation by <u>Russian Railways</u> seems to support this, since the company stated that it was negotiating a project in Tanzania, but no official announcement had been made by July 2021.

The debt-for-development programme is an opportunity for Russia to turn debts into investment, and to ensure that Russian companies are given preference by African countries. But the examples of Zambia and Tanzania show that Russia has had little success in this.

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Missed opportunities in Tanzania and Zambia, 2000-2013

In 2001, in tandem with the restructuring of African countries' debts, former prime minister Yevgeny Primakov (1998-1999), as chair of the Russian Chamber of Commerce, visited Tanzania, Angola, Namibia and South Africa. Primakov hoped to renew the relationship with African countries and to rebuild a multipolar coalition. In 2005 a cooperation agreement between the Tanzania Chamber of Commerce, Industry and Agriculture and the Russian Chamber of Commerce was signed. However, political links between the countries did not seem much revitalised: a protocol on ministerial consultations had been initiated in June 1995, but the next round was only held in May 2009 in Dar es Salaam. The attempts to manage Soviet-era debt were among the few political consultations held until 2009, when the bilateral investment forum took place. The key driver of the forum was Russia's interest in nuclear resources. At the end of 2010 AtomRedMetZoloto (ARMZ), a subsidiary of Rosatom, secured the purchase of a uranium mine in Tanzania, while Zarubezhstroy Corporation was planning to invest in the construction of possibly one of the largest independent hydropower plants to date in Tanzania. Like many other East African nations and as a direct result of its reliance on hydropower generation in combination with a series of severe droughts, Tanzania is facing a serious power shortage.

^{48 &}quot;How Russia Is Seeking to Impose Debt Swaps on Dar", Africa Intelligence: Indian Ocean Newsletter, January 19, 2018.

^{49 &}quot;Russian Development Aid Still Not in the Bag", Africa Intelligence: Indian Ocean Newsletter, November 1, 2019.

Tanzania is facing a serious power shortage

The relationship between Zambia and Russia in 2001-2011, when Levy Mwanawasa was in power in Zambia, was uneventful. There were a few meetings at the ministerial level for the 40th (2004) anniversary of their diplomatic relationship, praising past cooperation and aiming for stronger economic ties; but there were few developments. At the same time China was positioning itself as Zambia's main partner.

In 2005 the newly appointed Russian ambassador to Zambia was hoping to intensify the relationship:⁵⁰

I have a package of concrete proposals and I am looking forward to meeting Zambian officials to discuss ways and possibilities of expanding our trade and economic relations ... We also propose to [renew] our military and technical cooperation with Zambia and we shall be ready to supply the necessary military equipment and spare parts for Russian-origin military [systems] available in Zambia in the interest of your defence.

He also reflected Putin's idea of a return to 'Great Russia': 'Russia has practically become a superpower in the world. We shall surpass the potential of the former Soviet Union in five years.'⁵¹

The relationship between Zambia and Russia became more active when Michael Sata was elected the fifth president of Zambia. In December 2011 Sata hosted Mikhail Margelov, a special representative of the Russian Federation. Following that meeting on 24 August 2012, Deputy Minister of Foreign Affairs Mikhail Bogdanov visited Lusaka. The intention was to open political dialogue and raise economic cooperation to 'a new level'. ⁵² A month later the two foreign affairs ministers met in New York at the 67th session of the UN General Assembly. However, as described in the cases below, these political contacts did not evolve into economic projects.

RosGeo

The Soviet Union was actively involved in geological exploration in African countries. <u>RosGeo</u> (Zarubezhgeologia), a Russian multi-industry geological holding company,⁵³ was established in 2011 after the restructuring of the state-owned Tsentrgeologia and has 38 subsidiaries.

⁵⁰ Ruth Banda, "Russia, Zambia to Abolish Visa Restrictions", Africα News, February 19, 1998.

⁵¹ Banda, "Russia, Zambia to Abolish".

⁵² Konstantin Kozharov, "Russian-Zambian Diplomatic Ties Keep Growing for 50 Years", Times of Zambia, October 3, 2014.

⁵³ RosGeo Zarubezhgeologia, "Who We Are".

After its launch, RosGeo announced its interest in gold mining in Tanzania,⁵⁴ and claimed that it was negotiating with the relevant ministries. In 2012 the company prioritised Tanzania, Mauritius, Sudan, Angola, Namibia, Guinea and South Africa.⁵⁵ However, by 2020 – despite having signed non-binding contracts with most of those countries – RosGeo had not managed to secure any.⁵⁶

Attempts to access Tanzania Gas and oil resources

From 2000–2013 Tanzanian gas and oil resources were viewed as a promising investment opportunity. International giants such as Shell, Statoil, British Gas and Exxon Mobil were all attracted. In 2004 the <u>Songo Gas-to-Electricity Project</u> was launched. It consisted of five gas wells and was run by Songas Ltd, a local joint venture between private investors, Tanzania Electric Supply Company Limited (TANESCO) and the TPDC. In 2007 a new electricity production project in Mtwara Region, near Mozambique, started with the support of Canadian company Artumas Group. In August 2011 Tanzania awarded oil and gas exploration rights on the northern side of Lake Tanganyika to a subsidiary of France's Total, which beat eight other bids. No Russian companies participated.

Presidents Jakaya Kikwete (2005–2015) and Magufuli (2015–2021) returned to the concept of a strong state and adjusted petroleum legislation to allow for more localisation. In 2012–2013 Kikwete opened a concessionary Chinese credit line to finance a \$1.2 billion, 524km gas pipeline from Mtwara to Dar es Salaam. The announcement about the pipeline created political tensions between Zanzibar and Dar es Salaam⁵⁷ that resulted in constitutional changes allowing more revenue derived from natural resources to remain in Zanzibar, a semi-autonomous territory. Furthermore, the Petroleum Act No. 21 of 2015 and the Petroleum (Local Content) Regulations 2017 set out a detailed list of requirements for the industry. However, there was a lack of clarity around tax incentives, monitoring and reporting on local content in the new legislation. This allowed Parliament to demand that all contracts dealing with natural resources be renegotiated and that all potential disputes be settled within Tanzanian jurisdiction. ⁵⁹

As a result, in 2014, when the government opened tenders for 25-26 licences, none of the tenders was successful as companies failed to ensure a production-sharing agreement. The Russian state-owned <u>Gazprom</u> was among the bidders. Prior to submitting its bid, Gazprom met with representatives of the Tanzanian Energy and Minerals Ministry and the

^{54 &}quot;Rosgeologia' Polozhila Glaz Na Zoloto Tanzanii" ["Rosgeologia" Laid an Eye on the Gold of Tanzania], RBC, October 16, 2012.

^{55 &}quot;Rosgeologia' Polozhila Glaz".

^{56 &}quot;Geo Services Giant RosGeo Falls Short of Putin's Expectations in Power Struggle with China and US", Africa Intelligence (EN), October 22, 2020.

⁵⁷ Hege Bakke Sørreime, "The Shaping and Changing of Petroleum Resource Governance: Discourses of Natural Gas in Tanzania", Forum for Development Studies 46, no. 3 (2019): 547–68.

⁵⁸ Hundsbaek Pedersen and Bofin, "The Politics of Gas".

⁵⁹ Thomas Scurfield, Nicola Woodroffe and Silas Olan'g, "Localizing Tanzania's Cas Sector: Determining Optimal Policies for an Emerging Producer" (Briefing, Natural Resource Governance Institute, Dar es Salaam, 2017).

TPDC. But the tender was unsuccessful and there is no information on Russian involvement in gas projects in Tanzania.

The development of its petroleum sector remains a priority for Tanzania, but corruption and the changes to national legislation mean that the country's natural resources have thus far failed to boost its people's prosperity.

Lukoil in Zambia

In 2008 the Zambian government announced a tender to supply and deliver 1 440 000 metric tonnes of comingled petroleum feedstock to Zambia's Indeni refinery. Russia's Lukoil International Trading and Supply Company (LITASCO) was one of seven companies shortlisted, but it became embroiled in a scandal just before the tender's closing date in January 2010.⁶⁰ According to politicians such as Hakainde Hichilema, of the United Party for National Development (the current president of Zambia), and Given Lubinda, of the Patriotic Front, then energy minister Kenneth Konga with the support of president Rupiah Banda, wanted to name LITASCO as the preferred bidder and in turn would receive contributions to the 2011 election campaign.⁶¹ Lusaka-based newspaper *The Post* quoted the sources in the government suggested that Banda had been introduced to LITASCO's representative Leon Haywood at State House in June 2009, where they discussed the contract. Konga also met Haywood in Johannesburg and Lusaka. The original tender was adjusted accordingly, with some of the new terms being:⁶²

- To add a selection criterium emphasising 'the client's right to place an emphasis on bidders who will serve the strategic requirements of the country in the long term';
- To increase the bid security from \$1 million to \$2 million; and
- To delete those conditions that, according to Haywood, would suit Independent Petroleum Group (IPG) of Kuwait as 'IPG is LITASCO's main competitor and won the last tender against LITASCO'.

LITASCO and Konga denied the claims of having tampered with the tender. On 15 March 2010 the Zambia Public Procurement Authority announced Glencore Ltd UK as a preferred bidder.⁶³

In 2011, when Sata was elected as president, some of Konga's properties were seized by the state anti-corruption task force⁶⁴ and a case of corruption was opened against Banda for allegedly entering into corrupt negotiations with the Nigerian government for oil. Konga

^{60 &}quot;Reject Govt's Maneuvers to Manipulate Crude Oil Tender Process, HH Urges Zambians", The Post, November 27, 2009

^{61 &}quot;Zambians Will Rise If Govt Gives Contract to LITASCO, says HH", *TendersInfo*, January 15, 2010.

^{62 &}quot;Govt's Attempt to Rig Bid for Oil Supply Exposed", The Post, January 9, 2010.

^{63 &}quot;Glencore Energy Wins \$1 bln Zambia Oil Supply Deal", *Reuters*, March 16, 2010.

²⁴ Zambia Watchdog, "To Save Himself from Criminal Charges, MMD MP Konga Supports Lungu", June 8, 2015.

testified that Banda did not personally profit from the deal⁶⁵ and Banda was acquitted in 2015.⁶⁶ Allegations of corruptions in the energy sector in Zambia continued. For example, in 2016 there was another scandal when, in the same contract on which LITASCO had bid, supplier Gunvor Oil Group was replaced without tender by IPG.⁶⁷

Zambezi Information Technologies

Another example of a Russian company that tried its luck in Zambia is the Zambezi Information Technologies – a local division of the Russian company Prognoz (1991-2017). Prognoz was a leading information technology (IT) development and business analytics company established by scientists of the Perm State University Computational Economics Department and the Russian Academy of Sciences, Ural Institute of Economics. The company developed its products based on its own 'business intelligence' platform, which allowed it to analyse large volumes of statistical data, perform simulations, and trace the outcome of managerial decisions, as well as to make forecasts on how the situation in various economic sectors or markets was likely to evolve.⁶⁸ Prognoz initially collaborated with Russian state and municipal institutions and developed software for them.

In 2011 Prognoz won an African Development Bank bid to develop portals for the AU and for national statistical organisations in 10 African countries.⁶⁹ The project was meant to promote data management, analysis and visualisation of statistical information, and support reporting and presenting information for social media.⁷⁰ In 2012 the Zambia-based representative was registered as Zambezi Information Technologies and developed a <u>portal</u> for the Ministry of Labour and Social Protection in Zambia.

However, in 2014, after the sanctions against Russia were instituted and the Russian currency became unstable, the company encountered difficulties in paying its foreign debts. Multiple factors resulted in its having to sell its intellectual property and stop operating in Africa. Ministry of Labour specialists would continue to receive training on portal data management until 2014, but the webpage is currently inactive.

^{65 &}quot;Ex-Minister Kenneth Konga Testifies in RB Case", Lusaka Times, August 14, 2013.

^{66 &}quot;Former Zambian President Acquitted over Oil Deal with Nigeria", News 24, June 30, 2015.

⁶⁷ Zambia Watchdog, "PF Govt Corruptly Single Sources Kuwait Firm to Supply Oil", February 3, 2016.

⁶⁸ Vladimir Volkov, "Three Out of Five", BRICS Business Magazine, 2012.

⁶⁹ Volkov, "Three Out of Five".

^{70 &}quot;Razrabotka Prognoza Dlia Ocenki Rynka Truda Zambii" [Development of a Forecast to Assess the Labour Market of Zambia], RBA, April 28, 2014.

Key areas of cooperation and political engagement with Russia

For both Zambia and Tanzania, cooperation in the energy sector, especially nuclear, and greater trade and military cooperation are priorities.⁷¹ Other areas that have seen high-level engagements include IT, peacekeeping and conflict regulation, agriculture and tourism.

Political engagements between Russia and Zambia

The strongest ties between Russia and Zambia are in the area of nuclear cooperation. Since the first visit by the Russian minister of foreign affairs to Zambia in 2015, there has been consistent diplomatic cooperation. Nevertheless, Putin has never visited Zambia and Lungu has never been to Moscow. The Russian and Zambian presidents did meet in July 2018 at the 10th BRICS summit in Johannesburg – a meeting that the Russian Embassy described as a turning point for Russia–Zambia relations.⁷²

In 2013 military cooperation between Zambia and Russia was re-established and an agreement on the sale of two helicopters was signed in April 2014. The same year, on 25 September 2014, before the UN General Assembly vote on a resolution on Russian aggression in Ukraine, Lavrov had a meeting with Southern African representatives, including then foreign affairs minister Harry Kalaba. Following the meeting most Southern African countries abstained from the vote.

With Zambia abstaining during the vote on Crimea, and Lungu announcing the country's nuclear programme in April 2015 during the first visit by Zambia's minister of foreign affairs to Russia since the collapse of the Soviet Union, Kalaba said he was happy that Russia was finally 'turning back to Africa'.⁷³ The development of the nuclear cooperation intensified political engagements.

In 2016 Bogdanov met with Msiska, then the head of Zambia's public service, in Moscow during the XI International Forum on 'Atomic Energy, Ecology, Safety - 2016', where the agreement on nuclear collaboration was signed. Bogdanov also offered to train the Zambian military forces. Msiska became the key driving force behind the nuclear programme and cooperation with Russia.

^{71 &}quot;Zambia Considering Russian Proposal to Use Its COVID-19 Vaccine, Envoy Says", Sputnik International, December 12, 2020; Russian Embassy in Tanzania, "Current Russian-Tanzanian Cooperation", June 12, 2021.

⁷² Embassy of the Russian Federation, "Bilateral Cooperation".

⁷³ Russian Federation, Ministry of Foreign Affairs, "Press Conference of S. Lavrov and H. Kalaba", YouTube, 2015.

The same year Bogdanov also met with Lungu on the sidelines of 26th AU Summit. He made an offer regarding military cooperation and the training of personnel, while the parties also spoke about the need for economic independence. In addition, Lungu broached the importance of investments in the energy sector and agriculture. Similar issues were discussed when Kalaba made another visit to Moscow from 31 May-1 June 2017, just a few days before Zambia took up the chair of the AU's Peace and Security Council. Lavrov and Kalaba discussed the following:

- 'Conflict settlement and stability in sub-Saharan Africa, the Great Lakes region, the Central African Republic, South Sudan, the Horn of Africa, Libya and Syria';
- · Modernisation of the Zambian army;
- Cooperation in nuclear technology and construction of the CNST, as well as possibly constructing a 2GV nuclear power plant in Zambia; and
- Russian investments in Zambia, in particular in the areas of IT, mining, banking, the automotive industry, tourism and agriculture.

On 20 February 2019 Lavrov hosted a Zambian delegation headed by Zambia's then minister of foreign affairs Joseph Malanji. They reportedly discussed bilateral cooperation in the areas of agriculture, construction, the supply of machinery and equipment, IT, nuclear, visa-free entry, and cooperation in the UN system. As result of closer political engagements, the Russian ambassador to Zambia had described the country as 'a reliable partner and friend Russia can count on in the increasingly complex world of geopolitical controversies and intricate diplomacy'.

Zambia played a special role in promoting Russia to African partners during the Russia-Africa Summit as the head of ZAMATOM gave a presentation in the nuclear section, and Malanji made a viral statement, calling for the use of the rouble in diversifying the currencies used in trading:⁷⁸

We believe that the expansion of the use of national currencies, in particular the Russian rouble, in investments, bilateral trade agreements and strategic projects will lead to an increase in trade, economic growth and the development of the economies of both countries. (translated from Russian)

⁷⁴ Emelda Mwitwa, "<u>Russia Offers Zambia Military Training</u>", *Zambia Daily Mail*, February 1, 2016.

Russian Federation, Ministry of Foreign Affairs, "Press Conference of S. Lavrov and H. Kalaba".

Russian Federation, Ministry of Foreign Affairs, "Foreign Minister Sergey Lavrov's Remarks and Answer to a Media Question during the Joint News Conference Following Talks with Foreign Minister of the Republic of Zambia Joseph Malanji - Statements and Speeches by Minister Ministry of Foreign Affairs Serge", February 20, 2019.

Embassy of the Russian Federation in Zambia, "Welcome Address Delivered by H.E. Konstantin Kozhanov, Ambassador of the Russian Federation to the Republic of Zambia at the Diplomatic Reception Held to Commemorate the Russia Day", June 11, 2019.

^{78 &}quot;Glava MID Zambii Prizval Ispolzovat Rubl v Torgovle s Rossiej" [Joseph Malanji, Zambian Foreign Minister Urges Use of Ruble in Trade with Russia], *TASS*, October 24, 2019.

In return, Zambia was looking for an opportunity to work with Russian banks in securing loans to support the Zambian economy. In February 2020 the chairperson of the Federation Council of the Russian Federal Assembly, Valentina Matviyenko, visited Zambia in what was described as a reciprocal visit after the April 2018 visit by the Zambian parliamentary delegation. She suggested the model that Russia is known best for - Russian support in the geological exploration of Zambia's natural resources 'under, of course, certain conditions and mutually beneficial agreements',⁷⁹ and military and defence cooperation. Matviyenko added that Russia was expecting proposals from Zambia with regard to those areas in which Russia could contribute.⁸⁰ The delegation included several Russian senators and government officials, and met with Lungu and the speaker of Zambia's National Assembly Patrick Matibini. In interviews, senators⁸¹ in the delegation explained that Russia was ready to supply wheat, corn, agricultural equipment and tractors, as well as to help with IT development.

TABLE 4 KEY AG	REEMENTS AND OFFICIAL VISITS BETWEEN ZAMBIA AND RUSSIA
Date	Official engagement
1974	Official visit by Kaunda to Moscow
March 1977	Visit by Nikolai Podgorny, Soviet Chair of the Presidium of the Supreme Soviet, to Lusaka
November 1987	Working visit by Kaunda to Moscow
August 2001	 Intergovernmental Agreement on Debt Regulation (Zambian debt to the Soviet Union)
	 Total debt is reduced by 80% and the remaining amount restructured for repayment over the next 33 years
2007, 2008	Delegates of the Russian Federal Assembly (ie, State Duma and Federation Council) visit Zambia
December 2010	Delegates of the Zambian Parliament attend the Moscow International Public Forum
28 February 2011	 Agreement between Russia and Zambia on using debt to finance developmental projects
	 A separate agreement is required to define which developmental projects to support
August 2014	Contract to buy two helicopters is signed
	The helicopters are delivered in 2015
September 2014	Lavrov meets African ministers of foreign affairs prior to the UN vote on Russian aggression in Ukraine and the Crimea annexation

^{79 &}quot;Marvienko Zajavila, Chto Rossia".

⁸⁰ Federation Council, "Meeting of Matvienko".

The Federation Council (FC) delegation included Chair of the FC Committee on Foreign Affairs Konstantin Kosachev, Chair of the FC Committee on Defence and Security Viktor Bondarev, First Deputy Chair of the FC Committee on Agriculture, Food Policy and Environmental Management Sergei Mitin, First Deputy Chair of the FC Committee on the Budget and Financial Markets Yelena Perminova, Deputy Chair of the FC Committee on Science, Education and Culture and member of the group on the FC's cooperation with parliaments of Asian and African countries Igor Morozov, and Deputy Chair of the FC Committee on Economic Policy Alexei Russkikh.

April 2015	 The Zambian and Russian ministers of foreign affairs, Kalaba and Lavrov, meet in Moscow in the first visit at this level since the collapse of the Soviet Union Interdepartmental MoU is signed between law enforcement agencies on cooperation in combating illicit drug trafficking activity and related offences
2015	The CNST in Zambia is established in cooperation with Rosatom
May 2016	Intergovernmental agreement between Russia and Zambia on peaceful uses of nuclear energy
13 April 2017 (enters	Agreement on military and technical cooperation
into force in 2018)	Provisions for the supply of weapons and delivery of spare parts
May 2017	Kalaba and Lavrov meet in Moscow
	They discuss military and nuclear collaboration, investments in IT and banking systems, and international cooperation in the area of anti-terrorism and extremism
October 2017	A Zambian delegation headed by Matibini takes part in the 137th Assembly of the Inter-Parliamentary Union in St Petersburg
Autumn 2017	A Memorandum of Cooperation in the creation of an educational cluster is signed between the Peoples' Friendship University of Russia and the Ministry of Higher Education of Zambia

Source: Compiled by author

In 2021, Bwalya Ng'andu, Zambia's minister of finance, Felix Phiri, permanent secretary at the Ministry of Defence, and David Muma, commander of the Zambian Air Force, visited Russia. A press release suggested that the two countries discussed education and agricultural cooperation.⁸² More realistically, the topic for the discussion was most probably funding for the nuclear programme and military cooperation.

The other areas where developments can be expected in 2021–2022 are a visa-free regime between the two countries and the agreement on cooperation between the two countries' ministries of internal affairs.⁸³

Political engagements between Russia and Tanzania

In April 2016 over 50 Russian business representatives arrived in Dar es Salaam to participate in the Russian-African Forum – an event organised to explore investment opportunities, especially in the energy sector.⁸⁴ According to the Tanzania Investment Centre, Russia had invested in 48 projects worth \$45.23 million since 1990, employing 3 342 people.⁸⁵ However, the names of the projects were not revealed. Among the companies that expressed an interest in investing in Tanzania were Russian Helicopters, United Aircraft Corporation and United Wagon Company.

⁸² Embassy of the Russian Federation in Zambia, "Zambian Delegation Visits Rostov Region", 2021.

^{83 &}quot;Zambia Considering Russian Proposal".

⁸⁴ The Guardian, "Tanzania Denies Seeking 'Huge'".

⁸⁵ Tanzania Invest, "Tanzania Could Serve as Springboard for Russia's Expansion in East Africa", May 4, 2016.

At the forum a number of potential cooperation projects were discussed, as was Russia's readiness to build a research nuclear reactor in Tanzania. According to Manturov, who cohosted the forum, the vice-president showed interest in the project.⁸⁶

Russian aircraft manufacturer <u>Irkut Corporation</u> also signed an MoU with Air Tanzania on supplying it with four MS-21 aircraft: two by the end of 2016 and two in 2018.⁸⁷ The aircraft were meant to help return Air Tanzania to full operational status – an ambition of the newly elected Magufuli. In 2016 Air Tanzania was operating with a single 70-seater aircraft, but by August 2021 it had increased its fleet to 12 aircraft; however, none of these is an MS-21.⁸⁸

In June 2017, then minister of foreign affairs Dr Augustine Mahiga had high expectations of Russian–Tanzanian trade and economic cooperation: 'It is now the right time for Russia to be back on the continent with investments." Popov, the Russian ambassador at the time, replied that relations between Russia and Tanzania had expanded to include continuous political dialogue, stronger economic ties, humanitarian and cultural ties, and cooperation in matters of security and counter-terrorism.

In March 2019 Bogdanov met with Magufuli in Dar es Salaam and announced that Russia had a strategic programme aimed at scaling up cooperation with Tanzania and other African countries in order to speed up development. The two countries agreed to establish a Joint Permanent Commission on trade and investment in the mining, gas and tourism sectors.⁹¹ Magufuli said:⁹²

I kindly ask you to convey my sincere thanks to President Putin, including informing him that Tanzanians love Russia. We welcome him and other Russians to Tanzania and we ask them to invest in Tanzania because there are abundant investment opportunities here.

Following the Russia-Africa Summit, Prime Minister Kassim Majaliwa, who represented Tanzania, suggested increasing the pace of Russian companies' involvement in Tanzania: 'Appointments with Russian investors have already been set, so I don't want any delays or disappointments in fulfilling their intention.'93 The areas of cooperation were natural resource exploitation, gas, agriculture and tourism.

^{86 &}quot;Uchenogo Golubkina Zapodozrili v Peredache Sekretnyh Dannyh Strane NATO" [Scientist Golubkin Is Suspected of Transferring Secret Data to a NATO Country", Interfax, April 13, 2021.

⁸⁷ Tanzania Invest, "Tanzania Could Serve".

⁸⁸ Air Tanzania, "Air Tanzania: About Us".

^{89 &}quot;Tanzania, Russia in Strong Ties", DailyNews, June 18, 2017.

^{90 &}quot;Tanzania, Russia in Strong Ties".

⁹¹ EY Attractiveness Program Africa, "How Can Bold Action Become Everyday Action?", September 2019.

^{92 &}quot;TZ, Russia Joint Outfit in Offing", *DailyNews*, March 14, 2019.

^{93 &}quot;PM Majaliwa: Bring Russian Investors to Dar", DailyNews, October 26, 2019.

TABLE 5 KEY AGREEMENTS AND POLITICAL ENGAGEMENTS BETWEEN TANZANIA AND RUSSIA		
	Agreement / event	
20 October 2011	On using Tanzania's debt to fund developmental projects	
2 July 2013	Meeting between Shoygu and Nahodha ^a	
26-27 April 2016	 Russian-African Forum in Dar es Salaam The Russian delegation is led by Manturov 	
	Meeting by the Russian Federal Service on Military and Technical Cooperation and Rostech with Tanzania's Ministry of Defence	
September 2016	Agreement on Military and Technical Cooperation is signed by Shoygu & Mwinyi	
11 January 2018 (enters into force on 14 August 2018)	Agreement on military and technical cooperation on arms shipments, as well as joint training, research and development	
March 2019	 Tanzanian-Russian Intergovernmental Commission on Trade, Investment and Economic Cooperation (draft agreement) Bogdanov meets with Magufuli in Dar es Salaam 	
9 April 2020	Intergovernmental Russian-Tanzanian Committee on Economic Cooperation	
October 2020	Tanzania and Turkey among the few countries to admit Russian tourists	

a "Sergei Shoigu Nadeetsia, Chto Posle 20-Letnego Pereryva Vozobnovitsia Voenno-Technicheskoe Sotrudnichestvo Mezhdu Rossiej i Taznaniej" [Sergei Shoigu Hopes that After a 20-Year Break Military Cooperation between Russia and Tanzania Will Be Renewed], TASS, July 2, 2013.

Source: Compiled by author

The platform for bilateral economic cooperation is meant to be the Tanzanian-Russian Intergovernmental Commission on Trade, Investment and Economic Cooperation, which was approved for signing on 8 April 2020, but remains unimplemented as of June 2021.94 The commission should cover areas such as the energy sector, mining industry, communication, IT and 'others' (Article 4).95

Strategic areas of Russian cooperation with Zambia and Tanzania

In this section we take a closer look into the specific areas of Russian cooperation such as: nuclear, military, interparliamentary relations, UN engagements and mitigation of Covid-19 pandemic.

Russian nuclear strategy in Zambia and Tanzania

Nuclear cooperation is one of Russia's strengths in both Tanzania and Zambia. African countries' nuclear ambitions have opened the door to Russia's continued involvement on the continent. It is a point of pride with Putin that Russia is a global leader in nuclear

⁹⁴ Current Russian-Tanzanian Cooperation, 2021

^{95 &}quot;Agreement between Russian Federation and the United Republic of Tanzania on Establishing Intergovernmental Commission on Trade and Economic Cooperation", *Pravo* 1, no. 6(2020).

technology.⁹⁶ Rosatom launched a long-term strategy to promote nuclear reactors worldwide in 2007. The energy-deficient Africa seemed like the perfect partner.

In 2012 Rosatom opened a regional office for Southern and Central Africa in Johannesburg,⁹⁷ and in 2014 South Africa signed a contract to build a 9.6GW nuclear power plant. However, the opaque deal led to a confrontation between then president Jacob Zuma, who had initiated the deal, and National Treasury, civil society and the political opposition.⁹⁸ In 2017 the South African High Court set aside the Russia–South Africa nuclear agreement owing to a lack of public participation and a failure to follow parliamentary procedure.

Zambia and Tanzania, both of which have nuclear aspirations, have signed cooperation agreements with Rosatom

Zambia and Tanzania, both of which have nuclear aspirations, have signed cooperation agreements with Rosatom. While the uranium-rich Tanzania only signed a non-binding agreement (2016) with Rosatom on building a research reactor, Zambia aims to grow its nuclear industry from research to power generation, and has started constructing a research centre with Rosatom. Russian Minister of Foreign Affairs Sergei Lavrov has said that he hopes that the Zambian nuclear project 'can become [the] locomotive' of Russia-Zambia cooperation.⁹⁹

Uranium one - Mkuju Project

In December 2010, just two months before the <u>Fukushima Daiichi nuclear disaster</u> in Japan, Rosatom, via ARMZ, signed a contract of just under \$1 billion to buy the Mantra Tanzania licence to develop the <u>Mkuju River Project</u>. Uranium prices at the time were \$137.57 a pound, compared to \$69.67 in July 2021. Russia was expecting to use the Mkuju project to supply an increasing number of African nuclear projects with uranium. The drop in price and slow pace of development of African nuclear projects resulted in the conservation of the Mkuju project, which is still at the exploration stage in 2021.

⁹⁶ TASS, "20 Questions with Vladimir Putin", YouTube, 2020.

⁹⁷ Rosatom, "Regional Office", 2020.

⁹⁸ Dzvinka Kachur, "How State Capture Went Nuclear", in *Anatomy of State Capture*, eds. N Callaghan, R Foley, and M Swilling (Stellenbosch: African Sun Media, 2021), 329–355.

⁹⁹ Evgenii Pedanov,"Rossia i Zambia Obsudili Uproschenie Vizovogo Rezhima" [Russia and Zambia Discussed Visa Facilitation], International Affairs, 2019.

¹⁰⁰ Vladimir Dzaguto, "ARMZ Poluchil Avarijnuiu Skidku" [ARMZ Receives Emergency Discount], Kommersant 48 (2011): 9.

The Mkuju River mine is situated 470km south-west of Dar es Salaam, in Namutumba District, Ruvuma Region. It was the first uranium mine to receive a licence from Tanzania's Ministry of Energy and Mineral Resources. The project description (2016) indicated that resources of 54,549tU had been measured and inferred at an average grade of 0.019% U.¹⁰¹

The project was expected to elevate Tanzania to among the top five producers of uranium in Africa.¹⁰² Construction was expected to start in 2013, but was postponed to 2016 and then to 2018. It was finally suspended until the demand for uranium recovered, which was not expected earlier than 2020¹⁰³ owing to 'the depressed market price of uranium'.¹⁰⁴

The Mkuju River mine is also the source of a dispute with the Tanzanian Revenue Service (TRS). After registering Mantra Resources under ARMZ in 2011, the company invested in it via Uranium One, which is another Rosatom subsidiary that is 51.4 % owned by ARMZ. The TRS viewed the transfer of Mantra Resources shares from ARMZ to Uranium One as a change in ownership and thus a taxable transaction. On 30 November 2012 the TRS informed ARMZ that an outstanding tax liability of \$196 million and stamp duty of \$9.8 million were due resulting from the change in ownership. ARMZ appealed and on 15 May 2013 a decision was made in favour of ARMZ. This decision caused a political clash between Zitto Kabwe, who campaigned for an investigation into public service corruption, and the then minister of energy and minerals Sospeter Muhongo, who claimed the 'the capital gains law made it difficult to force Mantra to pay'. The TRS appealed the decision and the matter was under investigation until 9 June 2020, when the court nullified all previous decisions and suggested the issue should be raised with the Tax Revenue Appeal Board instead. The TRS appealed in the street investigation instead.

While there has not been any recent information about the Tax Revenue Appeal Board's decision or process, it is clear that at current prices Russia will not be interested in developing the mine in the near future.

Centre for Nuclear Science and Technology

The nuclear ambitions of president Edgar Lungu (January 2015 - August 2021), intensified Zambia's relationship with Russia. Lungu first mentioned nuclear energy on 18 September 2015, and on 16 September 2016 he expounded on Zambia's desire to pursue nuclear energy as part of a diversified sustainable energy mix to power the country's economy: 108

We are going to have a diversified energy mix, including nuclear energy. In this regard, I am happy to announce that we have good progress with nuclear energy partners both at governmental and at private sector level.

- 101 Uranium One, "Uranium: Tanzania".
- 102 Uranium One, "Uranium: Tanzania".
- 103 Vladimir Basov, "Russian State Corporation Suspends \$1.2 Billion Uranium Project in Tanzania", Mining.com, July 7, 2017.
- 104 Finnigan Wa Simbeye, "Australian Firm Benefits from Absence of Taxation Act", DailyNews, April 13, 2013.
- 105 The Court of Appeal of Tanzania, Commissioner General Tanzania Revenue Authority vs JSC ATOMREDMETZOLOTO, 2020.
- 106 Wa Simbeye, "Australian Firm Benefits"
- 107 The Court of Appeal of Tanzania, Commissioner General TRA vs JSC ATOMREDMETZOLOTO.
- 108 Simon Allison, "Nuclear Deal(s): What Zambia Can Learn from South Africa", Daily Maverick, December 8, 2016.

Lungu saw nuclear energy as an opportunity to solve the Zambian electricity crisis. His statement came two years after Russia and South Africa had signed their nuclear power agreement, which probably served as an example for Lungu's proposal.

Hydropower provides 95% of Zambia's energy needs. However, the severe droughts experienced in Southern Africa in the past decade (especially 2015-2016) mean that the Kariba Dam is nearly dry and unable to produce as much power as it did before. The Zambian government reported that, owing to the drought, in 2015-2016 it spent an 'unbudgeted' \$39 million on emergency power imports from South Africa and Mozambique, which reduced the economic growth rate by approximately 40%.¹⁰⁹

Zambia has the potential to mine uranium and has been issuing licences for uranium mining since 2009. However, global uranium prices remain relatively low, making uranium mining unprofitable. Australian corporations Albidon, African Energy Resources Ltd. and Equinox Minerals, as well as Canada-based Omega Corporation Minerals Limited, were among those looking into mining uranium in Zambia.

A number of agreements form part of the nuclear cooperation between Rosatom and Zambia:

- Intergovernmental Agreement on Peaceful Uses of Nuclear Energy (May 2016);
- Memorandum of Understanding (MoU) with Rosatom (December 2016), signed in Lusaka – a non-binding agreement that sets out a 15-year nuclear cooperation plan with the eventual goal of constructing a nuclear power plant;
- Intergovernmental Agreement on Cooperation in Building a Nuclear Science and Technology Centre on Zambian Territory (February 2017) - provides for a 10MW multipurpose nuclear research water-cooled reactor;
- General engineering, procurement and construction (EPC) contract with the Ministry of Higher Education of Zambia (May 2018) – the key agreement signed during AtomExpo-2018, it expands on details of the construction of the CNST 10km outside Lusaka: and
- MoUs on training nuclear specialists and promoting nuclear technology to the general public via the Ministry of Information.

The Zambian government views the CNST as the first step in its nuclear programme development, allowing it to build nuclear skills in the country and localise nuclear technology.¹¹⁰

¹⁰⁹ Jeff Kapembwa, "Zambia Urged to Explore Nuclear Energy to Solve Power Deficits", SADC Mining & Construction News, September 23, 2019.

¹¹⁰ Pedanov, "Rossia i Zambia Obsudili".

According to Rosatom,111

The CNST will include a nuclear research facility based on a multipurpose research water-cooled reactor of up to 10MW, a state-of-the-art laboratory complex, multipurpose irradiation centre as well as a cyclotron-based nuclear medicine centre. The project will be implemented in several stages within 3–6 years from the work commencement date under the contract.

Zambia planned to construct the research centre within five years and to build two units of the nuclear power plant by 2040. The CNST is designed by the Russian State Specialised Design Institute (GSPI), managed by Rusatom Overseas. The GSPI is involved in the construction of similar nuclear science centres in Bolivia and Rwanda.

The development of a nuclear industry requires that national regulations be put in place, personnel be trained and new regulatory institutions be stablished. It is also necessary to adopt international regulatory standards in line with those of the International Atomic Energy Agency (IAEA).

To oversee the establishment of the research centre Zambia created the Interim Secretariat for Nuclear Science Technology (ISNST), which later became the Nuclear Energy Programme Implementing Organisation and in 2019 was renamed ZAMATOM. ZAMATOM's legal standing was set out in the draft nuclear bill of 2019. The nuclear bill used Russian legislation as a benchmark. Dr Roland Msiska, who was one of the key driving forces behind the nuclear programme with Rosatom, was named the head of the newly established agency. Msiska led two Zambian parliamentarian delegations to visit Russian nuclear facilities in 2017 and 2019. In November 2020 the Council of Ministers of Zambia approved a national nuclear energy programme in principle. In Principle In Instantian Instanti

To promote nuclear energy, the ISNST, in collaboration with Rosatom, set up an information centre that will provide the public with information on the peaceful uses of nuclear technology.¹¹⁴

Rosatom also plays an important role in the capacity development of Zambian nuclear specialists, as it supports Zambian nuclear engineers' training to develop a nuclear energy regulator and spearhead nuclear research in the country. Around 60 specialists have thus far received training.¹¹⁵

¹¹¹ Rosatom, "Zambia Center for Nuclear Science and Technology Premiered at the Largets Zambia Trade Show", Press Release, August 9, 2018.

¹¹² Roland Msiska, "Nuclear Infrastructure Development as a Necessary Pillar for Projects Sustainability?", ATOMEXPO-2019, 2019.

¹¹³ Steven Mvula, "National Nuclear Policy Approved", Zambia Daily Mail, November 17, 2020.

¹¹⁴ Kapembwa, "Zambia Urged to Explore"

¹¹⁵ Chris Phiri, "Zambia and Russia Take Phased Approach in Implementation of Nuclear Project", Zambia Reports, October 2, 2020.

According to the Zambian ambassador to Russia, Zambia has done significant preparation for the construction of a nuclear power plant, with 'an EPC agreement [having] been signed and the site for the construction of the reactor chosen'.¹¹⁶

Apart from ensuring that the necessary legislation is in place and that there is enough capacity to manage a nuclear industry, the success of a nuclear programme is also determined by the costs involved. On the Russian side, when the contract was signed in 2017 Alexey Likhachev, the CEO of Rosatom, said it was a good commercial project.¹¹⁷ The Zambian media estimated that the centre's construction would cost a total of \$10 billion (nearly half Zambia's GDP).¹¹⁸

In 2018, during a visit to Zambia, an IAEA representative said a feasibility study would allow the Zambian government to assess the nuclear project's prospects. A feasibility study is critical, but also challenging to implement. In South Africa, for example, a feasibility study was never finalised. While the Zambian nuclear research project is of significantly smaller scale than the project proposed in South Africa, any such venture requires large upfront investment into safety and waste management.

In 2019 Zambia's ambassador to Russia said that the feasibility study had been finalised. The same year the government of Zambia informed Putin that there were difficulties in financing the CNST project.¹²¹ In response, the Joint Coordination Committee was established under the Intergovernmental Agreement between Russia and Zambia on Peaceful Uses of Nuclear Energy. It decided that a phased approach would be taken in the construction of the CNST 'due to the current economic situation in Zambia caused by severe drought and the global COVID-19 pandemic'. While Russia does not disclose information about its bilateral debts, World Bank data suggests that Zambia borrowed \$145.6 million from Russia in 2019.¹²³

In November 2020 the Zambian ambassador to Russia, Shadreck Luwita, said Zambia would prioritise the CNST's construction as it would help to ensure food security, boost medical research and manage the aftermath of the drought and pandemic. According to Luwita, Zambia had already moved ahead with the plan, identifying the construction site and conducting engineering surveys. At the same time, the construction of the nuclear power plant was shelved to give the economy some breathing room.

^{116 &}quot;Zambia to Begin Building of Nuclear Reactor with Russian Support in 2019", Independent (Nigeria), October 28, 2018.

¹¹⁷ TASS, "Rosatom Postroit v Zambii Centr ladernoi Nauki i Technologii" [Rosatom Will Build a Nuclear Science and Technology Center in Zambia], AtomInfo.Ru, 2017.

[&]quot;Construction of Nuclear Plant Stalls, Russia Refuses to Bankroll the US\$10 Billion Project", LusakaTimes, March 10, 2020.

[&]quot;International Atomic Energy Agency in the Country to Zambia's Nuclear Programme", Lusaka Times, September 14, 2018.

¹²⁰ Kachur, "How State Capture Went Nuclear".

^{121 &}quot;Marvienko Zaiavila, Chto Rossia Gotova Pomoch Zambii v Razvedke Poleznyh Iskopaemyh" [Matviyenko Says Russia Is Ready to Assist Zambia in Mineral Exploration]. TASS, 2020

¹²² Phiri, "Zambia And Russia Take Phased".

¹²³ The World Bank, "International Debt Statistics", 2021.

In December 2020 then Russian ambassador Alexander Boldyrev said copper, cobalt and semi-precious-stone resources could be used to fund a nuclear programme: 124

Despite certain economic difficulties in the country, the corporation is taking all necessary measures to maintain the dynamics of the project for the construction of the centre. The Zambian partners were offered approaches providing for the optimisation of the project's financing structure and the implementation of the first stage of work at the expense of the customer.

Military cooperation

Russia is a major supplier of military equipment to African countries and accounts for 49% of the continent's total arms imports. It has signed arms trade agreements with 17 sub-Saharan countries, including Zambia and Tanzania, and since 2020 has signed \$1.7 billion's worth of arms contracts. While there is little official data on its military cooperation with Zambia and Tanzania, Russian authorities describe these as a productive working relationships. The SIPRI database has no record of any military equipment being supplied by Russia to Tanzania, and in 2021 Tanzania did not possess any Russian military aircraft. As for Zambia, there have been two key events: in 2014 Russia sold it MI-17 helicopters and in 2021 Russian authorities announced the sale of 35 Tigr armoured personnel carriers.

With Tanzania

The major security risks for Tanzania come from terrorists, especially since it borders Mozambique's Cabo Delgado province. In 1998 the US Embassy in Tanzania was attacked, showing the extent of the potential risks it faces. Thus, despite the global pandemic, Tanzania's defence budget remains high.¹²⁸

While the country does produce some munitions, in the main it relies on imported military equipment. This gives Russia an opening, but at the moment China is Tanzania's main partner in terms of military imports and training programmes.

In February 2013, after almost two decades of stagnant military cooperation between Russia and Tanzania, the director of the Russian Federal Service on Military and Technical Cooperation announced that it would be resumed.¹²⁹ In July 2013 Russian Minister of Defence Sergey Shoygu met with Tanzania's then defence minister Shamsi Vuai Nahodha

^{124 &}quot;Zambia Considering Russian Proposal".

Pieter Wezeman et al., "Trends in International Arms Transfers, 2019" (Fact Sheet, Stockholm International Peace Research Institute, Stockholm, March 2020).

¹²⁶ Flight Global, "World Air Forces 2021".

[&]quot;Glava VPK Rasskazal o Rasshirenii Eksporta Broneavtmobilei 'Tigr" [The CEO of VPK Explains the Increase in Exports of the Bullet-Proof Vehicle "Tigr"], Ria News, August 23, 2021.

^{128 &}quot;Chapter Nine: Sub-Saharan Africa", The Military Balance 120, no. 1 (2021): 494.

[&]quot;Rosoboroneksport Postavil Za Rubezh Produktsiu Na \$12,9 Mlrd" [Rosoboronexport Exported \$12.9 Billion Worth of Products Abroad], RBC, February 13, 2013.

in Moscow.¹³⁰ The same month, the large anti-submarine destroyer Marshal Shaposhnikov visited Dar es Salaam for four days, and Russian sailors trained the Tanzanian Navy in anti-piracy techniques. By coincidence, in April 2013, after two years of negotiations, Uranium One got the first licence to mine uranium in Tanzania, which was described as a 'real breakthrough' for the uranium project.¹³¹

In September 2014 Rosoboronexport participated in the Africa Aerospace and Defence Expo in South Africa, where it met with Tanzania's minister of defence. The deputy CEO of Rosoboronexport, Sergei Goreslavski, reported that these talks were very successful and significantly advanced negotiations on a specific package of military equipment for the country.¹³²

On 26-27 April 2016 Denis Manturov, the Russian minister of industry and trade, visited Tanzania for the Russian-African Forum with the motto 'Russia and Tanzania: Advancing Towards Each Other'. Reportedly, 50 Russian business representatives participated in order to explore investment opportunities, especially in the energy sector.¹³³ At the same time, representatives of the Russian Federal Service on Military and Technical Cooperation and Rostech visited Dar es Salaam and met with officials of Tanzania's Ministry of Defence to discuss opportunities and prices in terms of military equipment. The Russian media reported that Tanzania had inquired into the cost of MI-17 helicopters, tanks, aircraft, armoured vehicles, air defence systems and small arms. According to a member of the Russian delegation, Tanzania had requested tenders from various countries but was willing to cooperate specifically with Russia.¹³⁴ In return, Russia was prepared to receive payment in export goods and to provide state or commercial loans to the Tanzanian Ministry of Defence. However, Hussein Mwinyi, then Tanzania's minister of defence, denied this, saying, 'Even if there were any plans, I wouldn't give details on sensitive military matters.' ¹³⁵

In January 2018 a cooperation agreement was signed whereby the Russian military would provide training and, in return, Russia would be allowed to develop and test certain weapons in Tanzania. The same year South African investigators reported that the Russian military and Wagner Group had been providing training to the military in Tanzania.

The Russia-African Summit in 2019 was once again an opportunity to discuss military cooperation. Since the summit this military cooperation has intensified, according to

^{130 &}quot;Minister Hopes Russia-Tanzania".

¹³¹ TanzaniaInvest, "Tanzania First Uranium Mining License Issued to Russia", April 12, 2013.

[&]quot;Bolee 30 Peregovorov Provel 'Rosoboroneksport' Za Pervye Dva Dnia Raboty Oruzheinoi Vystavki v UAR" ["Over 30 Negotiations With Rosoboroneksport During the First Two Days of Military Exhibition in RSA], *Interfax*, 2014.

¹³³ The Guardian, "Tanzania Denies Seeking 'Huge' Russian Arms Deal", IPP Media, April 29, 2016.

[&]quot;Tanzania Napravila Rossii Zapros Na Zakupku Oruzhia" [Tanzania Submits a Request to Russia to Buy Arms], Ria News, March 2, 2016.

¹³⁵ The Guardian, "Tanzania Denies Seeking".

¹³⁶ Russian Federation, Ministry of Defence, "Agreement on Military Cooperation between Russian Federation and Tanzania".

¹³⁷ Scorpio, "Advance into Africa: An Audit of Russia's Growing Economic and Military Footprint on the Continent", Daily Maverick, November 15, 2019.

Alexander Fomin, the Russian deputy minister of defence.138 However, as Russia does not disclose information about its arms exports, there are only hints as to what forms part of this military cooperation.

As an indicator of Russian military sales to Zambia and Tanzania, Russian export statistics can be used. The SSS customs code denotes weapons and ammunition; aircraft, spacecraft and their parts (including civil and military aviation); warships; tanks; etc., as well as some products from group 28 (products of inorganic chemistry) and natural gas (see Table 2). The only exports to Tanzania under this category totalled \$3,400, and only in 2020.

TABLE 2 SSS CODE EXPORTS TO ZAMBIA AND TANZANIA, \$ MILLION				
	2018	2019	2020	2021
Tanzania	0	0	0.03	0
Zambia	0.39	26.88	0.53	0.13

Source: Russian Federation, Calculated based on Customs, "Russian Federation Customs Statistics: Analysis", 2021

Unfortunately, because of the wide range of items included in the SSS code it is impossible to state with certainty what kind of equipment was provided, or even if it was definitely arms.

With Zambia

While Zambia faces no external military challenges, it does have security issues on its border with DRC. The key challenges for Zambia's armed forces are limited funding and maintaining ageing weapons systems, many of which date back to the 1960-80 era of cooperation with the Soviet Union. In addition, Zambia does not have its own defence industry, apart from small arms ammunition manufacturing.

The country's defence budget is fairly small, but has been growing since 2018.139 Zambian politicians regularly express interest in buying military equipment from Russia,140 but the SIPRI141 Database of Arms transfers suggests that China has been the leading Zambian partner and supplier of military equipment over the past two decades. The total arms transfers from China to Zambia between 2010–2020 amounted to \$117 million (Table 3). The other leading arms exporters to Zambia are Italy and Ukraine.

¹³⁸ Roman Kretsul and Aleksei Ramm, "My Nastroyeny Na Ser'yeznyy Dialog s NATO" [We're Committed to Serious Dialogue with NATO]", *Izvestia*, 2020.

^{139 &}quot;Chapter Nine: Sub-Saharan Africa", 498.

^{140 &}quot;Zambia Interested in Buying Defence Commodities from Russia", ITAR-TASS, June 29, 2001

¹⁴¹ Wezeman et al., "Trends in International Arms".

TABLE 3 ZAMBIA'S ARMS IMPORTS, 2010-2020, \$ MILLION												
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
China			51				33	33			1	117
Israel								4				4
Italy		1	3				3			32		38
Russia						14						14
South Africa			7				1					8
Ukraine			5				7	7				19
US										6		6
Total		1	66			14	43	44		38	1	206

Source: SIPRI, "Arms Transfers Database", April 14, 2021 http://armstrade.sipri.org/armstrade/html/export_values.php

As of July 2021, only one arms transaction has been recorded between Zambia and Russia – the sale of two Russian Mil Mi-17 helicopters, with the total value of \$14 million. The contract was signed in April 2014, and the helicopters were delivered in 2015. While the contract declared in SIPRI shows only two helicopters, according to a 2021 report the Zambian Air Force has five Mi-17s. The Mil Mi-17 can be used for various purposes and thus might be classified as non-military equipment.

In 2017 Russia and Zambia signed an agreement on military and technical collaboration (ratified in 2018).¹⁴⁴ According to Lavrov, 'Here we've laid concrete groundwork.'¹⁴⁵ The South African investigative project Scorpio reported that in April 2017 Russia supplied anti-aircraft weapons systems, refurbished existing military equipment, provided new radar systems and upgraded existing radar systems.¹⁴⁶ While there are not many official records of this arms trade, at diplomatic meetings officials said that military cooperation was going well.¹⁴⁷ Similarly, during her visit in 2020 Matviyenko referred to the support provided by Russia in modernising Zambia's defence sector, and suggested establishing an Intergovernmental Working Group to ensure quick solutions to issues related to military cooperation.¹⁴⁸

Among the officially known transactions, 35 Tigr armoured personnel carriers had been supplied to Zambia, according to the CEO of the Russian Military-Industrial Company, Alexander Krasovitsky.¹⁴⁹ Russian Tigrs equipped with KPV-14.5 heavy machine guns participated in a military parade in Lusaka in June 2021.¹⁵⁰ Apart from older Soviet

¹⁴² SIPRI, "Arms Transfers Database".

¹⁴³ Flight Global, "World Air Forces".

Russian Federation, Ministry of Foreign Affairs, "Agreement between the Government of the Russian Federation and the Government of the Republic of Zambia on Military-Technical Cooperation", 2017.

Russia Today in Russian, "Statements: Lavrov and Kalaba", YouTube, 2017.

¹⁴⁶ Scorpio, "Advance into Africa".

¹⁴⁷ Council of Federations, "Meeting of Matvienko with President Lungu", YouTube, 2020.

^{148 &}quot;Marvienko Zaiavila, Chto Rossia".

^{149 &}quot;Glava VPK Rasskazal".

¹⁵⁰ Nev-Media, "45th Defence Force Day / Zambia National Service", YouTube, 2021.

equipment, there were also BTR-80 armoured personnel carriers and BREM-K armoured repair and evacuation vehicles.

The customs data from Zambia shows that in 2019 there were imports from Russia worth \$26.88 million (Table 2). A 2020 payment for an SSS export code item – \$530,000 – is the largest once-off payment. The product supplied was produced in Buryatia and weighed 1.65 tonnes. This could be a payment for MI helicopter parts, which are produced in the republic. Most other payments with the SSS customs code come from Udmurtia, where the Kalashnikov Concern is located, as well as 11 other military companies that produce navigation and tracking equipment.

An insight into how military cooperation between Russia and Zambia (and other sub-Saharan countries) could have been organised is provided by the recent scandal around Belarus and US citizen Alexander Zingman. Zambian newspaper *Digger News* claimed that Zingman, a businessman and alleged arms dealer with close links to Belarus strongman Alexander Lukashenko, brokered Russian and Belarusian sales of military equipment to African countries. In March 2021 Zingman and two of his partners were detained for 12 days in the DRC on charges of arms trafficking.¹⁵¹

The investigation suggested that Zingman had brokered a September 2018 deal between Zambia and the Russian state-owned arms exporting company Rosoboronprom for two Mil Mi-17 helicopters and five Sukhoi Superjet 100s (SSJ100). The newspaper published a photo of Lungu, Zingman and Alexander Mikheev, the president of Rosoboronexport. Zingman denied any involvement in arms trading, stating that he only supplied agricultural equipment and fertiliser via his company Aftrade DMCC. However, Zambian journalists suggest that agricultural trade would not require meetings with the president and high-level representatives of the Defence Ministry. Zingman had visited Zambia three times. He had also been photographed meeting the Tanzanian president, and few weeks before his arrest in the DRC his private jet had travelled to Harare, Lusaka, Addis Ababa and Lilongwe.

However, high-level political agreements are not enough to ensure a transaction, as funding remains a critical challenge. This can be seen in Zambia's attempt to buy SSJ100 VIP aircraft. In September 2018 Manturov announced that Russia and Zambia had signed a contract for one SSJ100 VIP aircraft and was discussing the procurement of four more SSJ 100s. The SSJ100 is twin-engined jet designed by aircraft company Sukhoi that can carry up to 98 passengers and fly up to 4 000km. The VIP version costs \$45-49 million – significantly more than a normal SSJ100.¹⁵⁶

^{151 &}quot;DRC: Italian, 2 Other Businessmen Released Without Charge", AfricaNews, April 2, 2021.

[&]quot;Alleged Arms Dealer Alexander Zingman Arrested in DRC", Daily Maverick, March 23, 2021.

^{153 &}quot;It's Zingman Who Is Denting Lungu's Image, Not the Media", Diggers News, March 29, 2021.

^{154 &}quot;Alexander Zingman's Secret Pleasure Jet Revealed", Business News Line, March 25, 2020.

^{155 &}quot;How Congolese Intelligence Laid Their Hands on Belarusian Businessman Alexander Zingman", Africa Intelligence, April 2, 2021.

^{156 &}quot;Russia, Zambia Revise Jet Deal", The Mast, October 12, 2018.

In October 2019 at the Russia-Africa Summit Manturov confirmed that Zambia had paid the deposit, but could not finance the aircraft, resulting in the contract's being temporarily 'frozen'. One of the challenges in supplying only one such jet to the region is that the company takes on significant obligations in servicing it. Technicians and suppliers need to be sent there for the guaranteed service, which is a substantial expense if there is no volume of aircrafts. 158

Interparliamentary cooperation

Interparliamentary cooperation is also an important vector in partnerships between Russia and the continent. The Russia-Africa Summit's <u>Sochi Declaration</u> emphasised the importance of cooperation between 'the Federal Assembly of the Russian Federation and National Parliaments of African States, as well as to setting up bilateral friendship groups among them'.

Connections between Russia's Federal Assembly and African parliaments have continued from the Soviet era to modern Russia. Certain annual events, for example, involve representatives of African countries. Zambian delegations headed by Dr Patrick Matibini, the Speaker of the National Assembly, have visited Russia annually since the agreement on nuclear cooperation was signed: in October 2017, April 2018 and July 2019. In July 2019 the first parliamentary conference on 'Russia–Africa' took place. In February 2020 Matviyenko visited Lusaka and discussed prospects for a visa-free regime, as well as other proposals. She was accompanied by the chairs of the defence and finance committees, as well as deputies and members of a few other committees.

Russia is also promoting inter-party cooperation. In 2020 the ruling United Russia party signed a memorandum of cooperation with Zambia's Patriotic Front to enhance the political alliance between the two countries.

These connections between parliamentarians are an important step in developing a legislative base for international cooperation and synchronising legislation on potentially sensitive topics such as nuclear and defence issues.

[&]quot;Denis Manturov: Nam Vygodnee Sobirat Techniku v Afrike, Chem Prosto Eksportirovat" [Denis Manturov: It is More Profitable to Assemble Machinery In Africa Than Just Exporting]: ", TASS, October 28, 2019.

^{158 &}quot;Denis Manturov: Nam Vygodnee".

Duma, "Legislative Support of Trade". Africa has become the only region in the world to consistently increase the import of goods from Russia, first of all-those of non-commodity and non-en-ergyportfolio. The structure of Russia's export to Africa is now becoming one of the incentives for adding value and developing export-oriented non-commodity sectors economy. Over the past three years, Russian exports to Africa have doubled. Despite its steady growth and non-commodity (and therefore more sustainable

UN and African regional cooperation

Russia, with its veto right in the UN Security Council, is one of the key players in the UN system. Its collaboration at the UN with African countries dates back to the Soviet era, when it was a driver of the anti-colonial movement in order to increase its geopolitical influence, which was presented as support for human rights. Tanzania and Zambia joined the UN as soon as they gained their independence, in December 1961 and December 1964 respectively.

Modern Russia has promised to lobby for UN reform to ensure that African states have permanent representation in the UN Security Council and other UN structures.160 Russia, Zambia and Tanzania also support each other's representatives at the UN, and Russian officials praise the successful cooperation between Russia and Zambia within the UN system.¹⁶¹

There are a few areas where cooperation at the UN is important to Russia. One is UN peacekeeping in Africa. It values any opportunity to retain a say in issues related to international peace and stability, as part of projecting its role as a 'great power' and ensuring access to natural resources. For example, Russia received entry into the Central African Republic (CAR) when, in December 2017, it received an exemption to supply light arms to the government. Zambia is a contributor to the Multidimensional Integrated Stabilization Mission in the CAR (MINUSCA). Tanzania is also involved in UN peacekeeping missions, with 450 personnel in MINUSCA; 775 in the Democratic Republic of Congo; 120 in Lebanon; and 330 in Sudan. Through their involvement in MINUSCA Zambia and Tanzania can shape the UN agenda on the CAR. In a number of bilateral diplomatic meetings in 2017–2020, Russia and Zambia shared a joint vision on the situation in South Sudan and the CAR. ¹⁶²

Secondly, both Zambia and Tanzania abstained during voting on the critical-for-Russia resolution on the territorial integrity of Ukraine, dealing with Russia's occupation of Crimea.¹⁶³

Russia also supports African states with the training of specialists who can later be deployed in peacekeeping missions, which improves the standing of African countries at the UN. For many years Russia trained Zambian police officers and security service officers at Russian universities, and at the UN-certified centre of the Russian Ministry of Internal Affairs in Moscow and the FSB.¹⁶⁴

Russia also pays attention to African regional structures. It has representation at the AU and, in October 2018, signed an MoU with SADC.

¹⁶⁰ Russia-Africa Summit, "Declaration of the First Russia-Africa Summit", October 24, 2019.

¹⁶¹ Russian Federation, Ministry of Foreign Affairs, "Press Conference of S. Lavrov".

¹⁶² Russian Federation, Ministry of Foreign Affairs, "Press Conference of S. Lavrov".

¹⁶³ UN, "Resolution: Territorial Integrity of Ukraine", 2014.

¹⁶⁴ Embassy of the Russian Federation "Welcome Address Delivered by"; Russian Federation, Ministry of Foreign Affairs, "Press Conference of S. Lavrov".

Covid-19 response as an opportunity for geopolitics

While the COVID-19 pandemic has created significant challenges for national governments to protect their population, it has also led to new opportunities for diplomatic connections. Since the beginning of the pandemic, Russia has provided humanitarian aid to various countries, including the US and Italy, and promoted disinformation about Western governments' failure to manage the situation.165 Experts have accused Russia of using the pandemic for political gain, circumventing Western sanctions and inserting FSB agents into Western countries.¹⁶⁶ Russia's 'humanitarian aid' has also had some peculiarities:¹⁶⁷

- It would arrive following a personal call from Putin to the leader of the recipient country;
- All the trucks, containers or planes involved were marked 'From Russia with Love';
- 60-80% of the provided materials were not suitable for the recipient country; and
- The process was managed by the military.

While Russia has closer ideological ties and greater military cooperation with African countries, it still uses humanitarian aid for political gain. For example, in Zimbabwe all its humanitarian assistance was distributed via ruling-party members. Russia has a long history of providing humanitarian aid for political gain, and continues to do so in conflict situations such as that in Syria. 169

Sputnik V and support during COVID-19

In Zambia, Boldyrev handed over a relief consignment to Minister of Health Chitalu Chilufya in an official ceremony in September 2020. The cargo reportedly consisted of reagents for 5 000 individual PCR tests.¹⁷⁰ Boldyrev stated:¹⁷¹

The minister of health expressed deep gratitude to the Russian authorities and the people of our country for such timely and valuable support, highlighting the strong nature of Russian–Zambian relations, shown in the act of solidarity in the fight against COVID-19.

Richard Weitz, "Assessing the Russian Disinformation Campaign During COVID-19", International Centre for Defence and Security, November 13, 2020.

¹⁶⁶ Andras Racz, "The Political Motives Behind Russia's Coronavirus Aid", Berlin Policy Journal, June 3, 2020.

¹⁶⁷ Racz, "The Political Motives".

Dzvinka Kachur, <u>Russia's Resurgence in Africa: Zimbabwe and Mozambique</u>, Special Report (Johannesburg: SAIIA, November 2020).

¹⁶⁹ Kenda Shaherhawasli, "Political Interests in Syrian Humanitarian Aid", Humanitarian and Social Research Centre, July 23, 2020.

¹⁷⁰ Embassy of the Russian Federation in Zambia, "About the Transfer of Russian Relief Consignment to Zambia", Press Release, 2020.

¹⁷¹ Mohammad Ali, "Russia Awaiting Zambia's Response To Sign Visa-Free Deal In 2021 - Russian Ambassador", UrduPoint, December 28, 2020.

Figure 1 Sputnic V Web-page advertising its own social media (Twitter, Facebook, Instagram and YouTube)



Source: Sputnik V, https://sputnikvaccine.com/

The Russian Sputnik V vaccine has been another mechanism of soft influence. In August 2020 Putin announced that the Russian Ministry of Health had approved the Sputnik V vaccine developed by the Gamaleya Research Institute of Epidemiology and Microbiology. Putin claimed that Russia had manufactured the 'best vaccine in the world' despite it's not having begun phase III clinical trials (these were expected from September 2020–May 2021). Following that announcement Sputnik V set up social media profiles on all major platforms, including Facebook, YouTube, Instagram and Twitter, stating that it was '[t] he world's first registered COVID-19 vaccine with proven 91.6% efficacy, developed by the Gamaleya Research Institute ... registered in 56 countries'.¹⁷²

These social media profiles would promote Sputnik V as the most efficient vaccine and disparage other vaccines. As a result, by February 2021 Sputnik was the most discussed vaccine in African media, with only 11% negative perception and 56% positive African media coverage (August-November 2020).¹⁷³

In Zambia, Boldyrev discussed opportunities to supply and produce Sputnik V with Chilufya,¹⁷⁴ saying afterwards that this was 'well received'.¹⁷⁵ In November, Luwita told Sputnik TV that his country was eager to get the Sputnik V vaccine as soon as it hit the

¹⁷² Twitter, @sputnikvaccine.

¹⁷³ John Campbell, "Russian Disinformation Popularizes Sputnik V Vaccine in Africa", Council on Foreign Relations, Blog Post, December 10, 2020.

¹⁷⁴ Embassy of the Russian Federation in Zambia, "On the Meeting of H.E. Mr. AV Boldyrev with the Minister of Health of the Republic of Zambia", Press Release, 2020.

¹⁷⁵ Ali, "Russia Awaiting Zambia's Response".

market, and added that the health ministers of the two countries were already in talks on the matter. 176

In Tanzania, Magufuli denied the existence of COVID-19 and the country stopped releasing COVID-19 statistics in April 2020. Instead, he called on Tanzanians to pray and eat healthy foods. Tanzania was declared COVID-19 free and vaccines were refused as a dangerous Western creation. In March 2021, after his death, the country launched a committee to address COVID-19. At the time of writing there was no information about any Russian vaccine negotiations.

Russian tourism to Zanzibar 2020-2021

During the Russia-Africa Summit Russia and Tanzania agreed to renew the direct air link. In November 2019 the Department of Civil Aviation in Russia's Ministry of Transport logged the request, and it was approved in February 2020.¹⁷⁹ As result, UTair and Azur Air were able to offer direct flights to Tanzania.

When many countries globally were still in lockdown, 'COVID-free' Tanzania became one of the first three countries that Russian government re-opened to for Russian tourists, on 1 August 2020. To incentivise tourists to explore a rather expensive new market, the Russian government also cancelled the obligatory 14-day quarantine for travellers from Tanzania.¹⁸⁰

This decision was made just months before the October 2020 elections in Tanzania and Zanzibar in which Mwinyi, the minister of defence and national service at the time, was running for president. Zanzibar was soon filled with Russian tourists. By the time Mwinyi won the elections, the number of Russian tourists in Zanzibar equalled the number of French tourists that had visited the archipelago in 2020. Zanzibar became Russians' third-most popular destination for the New Year holidays. In January-February 2021 Russian tourists' share of the Zanzibar tourism market increased to 41.3%, since Tanzania was almost the only country to which Russian tourists were allowed to travel.

According to the FSB, in 2019 Tanzania was visited by 6 425 Russians – a number that increased to 43 314 in the last three months of 2020. While Tanzania is not traditionally a popular destination among Russians (Turkey received 6.9 million Russian tourists in 2019), the 20-fold increase was significant for both countries.¹⁸³

^{176 &}quot;Zambia Considering Russian Proposal".

¹⁷⁷ Jason Burke, "Tanzania Leader Says Prayer Will Cure COVID, as Hospitals Overflow", The Guardian, February 28, 2021.

¹⁷⁸ Munyaradzi Makoni, "Tanzania Refuses COVID-19 Vaccines", Lancet 397, no. 10274 (2021): 566.

¹⁷⁹ Civil Aviation Administrations of Russia and Tanzania, "Russia-Tanzania Agreement to Renew Air Connection", Letters.

^{180 &}quot;Rossia Razreshila Letat v Turtsiu, Velikobritaniu i Tanzaniu" [Russia Allowed to Fly to Turkey, UK and Tanzania], RBC, July 24, 2020.

Maria Nemtseva, "Tanzania Dlia Ruskih: Kak Turpotok Iz RF Povliyal Na Afrikanskij Kurort" [Tanzania for Russians: How Tourists from RF Influenced African Resort], *Izvestia*, April 19, 2021.

^{182 &}lt;u>"Views Divided after Russia Suspends Flights to Tanzania"</u>, *The Citizen* (Tanzania), April 15, 2021.

¹⁸³ FSB, "Statistics of the Border Service of the FSB of the Russian Federation on Departure for 2019 and 2020".

However, as suddenly as this tourism market opened it was closed down, just a month after the death of Magufuli. On 12 April 2021 Russia prohibited visits by Russians to Tanzania and Turkey. The travel ban initially ran until 1 June 2021, but was then extended. This decision has had a significant impact on the tourism industry in Turkey and Tanzania. While the ban is officially due to the COVID-19 pandemic, there could also be a political message in Russia's decision. In case of Turkey, the move to stop flights came just two days after Turkish President Recep Tayyip Erdogan expressed his support for the <u>Crimea Platform</u> established by the Ukrainian government. Whether Russia's message to Tanzania related to proposed military or infrastructure contracts, the ARMZ dispute or access to the LNG project is unclear, but it seems as though Tanzania has failed to heed it, as the travel ban was still in place on 2 September 2021.

Recep Erdogan, "'President Erdogan and President of Ukraine Zelenskiy Held Joint Press Conference [Cumhurbaşkanı Erdoğan Ile Ukrayna Devlet Başkanı Zelenskiy Ortak Basın Toplantısı Düzenledi]", YouTube, 2021.

CHAPTER 4

Economic cooperation with Zambia and Tanzania

As suggested by Putin during the Russia-Africa Summit, Russia hopes to double its trade with African countries.

As suggested by Putin during the Russia–Africa Summit, Russia hopes to double its trade with African countries

In 2018 the REC analysed the export prospects of Russian companies. Neither Tanzania nor Zambia was among the top-20 importers of Russian chemicals, agricultural products or machinery. However, Tanzania was rated as having fast-growing imports, while Zambia's import structure for chemical products was described as being the most complementary to Russian exports of chemical products (Table 6).¹⁸⁵

TABLE 6	RUSSIAN TRADE WITH TANZANIA AND ZAMBIA							
	Russian trading partners, ranked out of 130 countries Exports Imports							
Tanzania	104	96	98					
Zambia	115	106	120					

Source: REC, "Reiting Perspektivnosti Stran Dlia Eksporta 2018" [Country Export Perspectives Rating 2018] (Moscow: REC, 2018)

¹⁸⁵ REC, « Country Export Perspectives Rating 2018 [Reiting Perspektivnosti Stran Dlia Eksporta 2018 « (Moscow: Russia Export Centre, 2018), 20.

Russia-Tanzania trade

Russia mostly imports tobacco from Tanzania, as well as coffee tea, and fruits and nuts (see Table 7).

TABLE 7 RUSSIAN TRADE WITH TANZANIA AND ZAMBIA								
Customs category	2018	2019	2020	2021	Total			
24. Tobacco and industrial tobacco substitutes	35 652.54	28 133.31	23 494.71	3 382.39	90 662.95			
09. Coffee, tea, mate or Paraguayan tea, and spices	5 484.58	4 902.79	6 723.64	401.1	17 512.11			
12. Oil seeds and fruits; other seeds, fruits and grains; medicinal plants and plants for technical purposes; straw and fodder	794.61	3 229.73	7 964.61	2 501.19	14 490.14			
08. Edible fruit and nuts; citrus peel or melon peel	100.29	419.77	366.32	67.98	954.36			
07. Vegetables and some edible roots and tubers	178.4	2.7	301.36	0	482.46			
21. Miscellaneous foods	0	12.66	158.07	242.89	413.62			
06. Live trees and other plants; bulbs, roots and other similar parts of plants; cut flowers and decorative greenery	17.26	37.09	23.02	5.44	82.81			
15. Fats and oils of animal or vegetable origin and their by-products; ready-made food fats; waxes of animal or vegetable origin	0	10.19	0	0	10.19			
03. Fish and crustaceans, molluscs and other aquatic invertebrates	6.61	0	1.42	0	8.03			
18. Cocoa and its products	0.96	1.01	1	2.01	4.98			

Source: Calculated based on the database of Russian Federation Customs, "Russian Imports from Tanzania by Categories 1-97 and including Secret Code/Years 2018, 2019, 2020 and January-May 2021" (generated 1 June 2021)

Russian mostly exports agricultural products to Tanzania, with the main categories being cereals, fertilisers and paper.

TABLE 8 RUSSIAN TRADE WITH TANZANIA AND ZAMBIA								
Customs category	2018	2019	2020	2021	Total			
10. Cereals	151 529.5	104 737.5	154 878.7	14 662.7	425 808.4			
31. Fertilisers	14 218.19	10 255.86	8 526.28	4 193.08	37 193.41			
48. Paper and paperboard; items of paper, paper or paperboard	4 679.86	9 657.2	3 832.19	269.71	18 438.96			
27. Mineral fuel, oil and distillation products; bituminous substances; mineral waxes	3 334.3	2 682.05	2 934.48	395.5	9 346.33			
76. Aluminium and articles thereof	466.91	0.74	2 820.91	961.97	4 250.53			
28. Products of inorganic chemistry; inorganic or organic compounds of precious metals, rare-earth metals, radioactive elements or isotopes	1 225.39	1707.09	978.19	306.89	4 217.56			
21. Miscellaneous foods	167.45	107.31	2 440.67	383.84	3 099.27			
11. Products of flour-cereal industry; malt; starches; inulin; wheat gluten	2 184.75	0	0	0	2 184.75			
22. Alcoholic and non-alcoholic beverages and vinegar	618.43	771.11	242.89	0	1 632.43			
29. Organic chemical compounds	24.08	324.92	778.45	0	1 127.45			
25. Salt; sulphur; earth and stone; plaster materials, limestone and cement	416.6	284.71	21.88	0	723.19			
84. Nuclear reactors, boilers, equipment and mechanical devices; their parts	98.96	102.04	84.25	1.21	286.46			

Source: Calculated based on the database of Russian Federation Customs, "Russian Exports from Tanzania by Categories 1-97 and including Secret Code/Years 2018, 2019, 2020 and January-May 2021" (generated 1 June 2021)

The pandemic has created barriers to international trade, and thus the data might be distorted. Nevertheless, in the past three years there has been an increase in imports of Tanzanian fruit, vegetables and coffee. Russia has significantly increased its exports of aluminium, organic compounds and miscellaneous foods.

Russia-Zambia trade

The trade relationship between Zambia and Russia is skewed towards Russian exports, which have been higher than imports for the past 10 years (See Table 9). Both imports and exports increased significantly in 2019, following the meeting between Putin and Lungu. Boldyrev said that this increase was the result of defence contracts and the supply of Russian equipment to Zambia.¹⁸⁶

Other Russian exports were machinery and materials for Zambia's nuclear programme. In addition, during his January 2020 visit to Moscow Ng'andu negotiated a mineral fertiliser deal with Uralkali PJSC. As a result, the Russian company made a once-off delivery of 700 tons of fertiliser that year.

TABLE 9	DYNAMICS OF RUSSIAN-ZAMBIAN TRADE, \$								
	2011	2012	2013	2016	2017	2018	2019	2020	
Russian imports	1 814.79	2 236.65	259.88	569.2	334.2	3 718.7	14 038.4	9 404.2	
Russian exports	14 598.99	10 990.15	13 543.00	13 329.1	11 228.9	6 174.2	84 167.9	11 762.0	
Total	16 413.78	13 226.79	13 802.88	13 898.3	11 563.1	9 892.9	98 206.3	21 166.2	

Source: Embassy of the Russian Federation in Zambia, "Bilateral Cooperation"; Russian Federation Customs, "Russian Federation Customs Statistics: Analysis", 2021

The backbone of the trade relationship are Russian fertilisers and Zambian tobacco (see Table 10).

TABLE 10 DYNAMICS OF RUSSIAN-ZAMBIAN TRADE, \$								
Customs category	2018	2019	2020	2021 (^{1st} quarter)	Total			
87. Ground vehicles other than railway or tram rolling equipment and parts and accessories thereof	0.16	78 577.4	3 660.67	5.43	82 243.7			
31. Fertiliser	3 193.06	2 684.21	2 509.52	0	8 386.79			
71. Natural or cultured pearls, precious or semi- precious stones, precious metals, metals clad with precious metals, and articles thereof; bijouterie; coins	0	1011.00	1011.00	0.01	2 022,01			
SS (Secret code)	39.06	724.2	530.00	7.63	1300.89			
84. Nuclear reactors, boilers, equipment and mechanical devices; their parts	115.94	127.39	754.55	0.05	997.93			
48. Paper and cardboard; paper or cardboard products	298.86	545.42	27.5	0	871.78			
40. Rubber and articles thereof	0	89.27	583.26	0.12	672.65			
85. Electric machinery and equipment, parts thereof; sound-recording and sound-producing equipment, equipment for recording and playing back tv images and sound, parts and accessories thereof	25.27	243.67	206.34	1.29	476.57			
90. Instruments and apparatus optical, photographic, cinematographic, measuring, control, precision, medical or surgical; parts and accessories thereof	18.3	77.34	47.61	3.03	146.28			
73. Black metal products	1.13	5.55	61.2	0	67.88			

Source: Calculated based on the database of Russian Federation Customs, "Russian Exports to Zambia by Categories 1-97 and including Secret Code/Years 2018, 2019, 2020 and January- May 2021" (generated 1 June 2021).

TABLE 11 DYNAMICS OF RUSSIAN-ZAMBIAN TRADE, \$									
Customs category	2018	2019	2020	2021 (1st quarter)	Total				
24. Tobacco and industrial tobacco substitutes	5 984.51	13 564.09	10 632.78	1 885.13	32 066.5				
72. Black metals	0	345.77	740.24	0	1 086.01				
06. Live trees, cut flowers and seeds	72.49	79.41	18.89	0.96	171.75				
09. Coffee, tea & spices	5.64	9.2	134.52	0	149.36				
12. Oil seeds and fruits; medicinal plants and plants for technical purposes; straw and fodder	0	0	116.06	0.04	116.1				
71. Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad with precious metals, and articles thereof; bijouterie; coins	71.6	18.08	8.97	0	98.65				
33. Essential oils and rubinoids; perfume, cosmetic or toiletry products	38.89	20.93	8.36	0	68.18				
35. Protein substances; modified starches; adhesives; enzymes	16.72	0	0	0	16.72				

Source: Calculated based on the database of Russian Federation Customs, "Russian Imports from Zambia by Categories 1-97 and including Secret Code/Years 2018, 2019, 2020 and January- May 2021" (generated 1 June 2021)

Russian companies in Tanzania and Zambia

There are few the Russian companies doing business or strongly present in Zambia and Tanzania. Apart from those described in the section on the Mkuju project, only UralChem and Uralkali are fully functioning in Zambia or Tanzania.

The key challenges Russian companies face in Africa are bureaucracy, funding and language barriers.¹⁸⁷ Russia's ambassador to Tanzania said that Magufuli's policies was a major issue, and expressed the hope that with the new presidency there would be more opportunities for Russian economic involvement.188 Russia has made a number of attempts to enter the Zambian market, but most of these have been unsuccessful.

UralChem and Uralkali

Fertilisers is a key Zambian import from Russia. There was an attempt to establish Russian fertiliser production in Zambia as early as 2011, when the Russian company Agribiotech International Limited signed an investment promotion and protection agreement to

¹⁸⁷ Alisa Prohorova, «T<u>hird Conference: 'Russia-Africa'</u>», *YouTub*e, 2021.

¹⁸⁸ Lvov Valeriy, "The Full Package" for students from Tanzania who will go to study in Russia", Rosijskaja Gazeta, July 16,2021

establish a fertiliser manufacturing plant in Kapiri Mposhi. The agreement, with a total value of \$28 million, was expected to create 3 000 jobs, but has not materialised.¹⁸⁹

Since 2018, Uralkali and Uralchem have both entered the Zambian fertiliser market. Uralchem, a 20% shareholder in Uralkali, is one of the largest producers of nitrogen and phosphate fertilisers in Russia and one of the top three producers globally of ammonia and nitrogen fertiliser. It currently manufactures all its products in Russia's Perm Territory and delivers to two African distribution centres – one in Johannesburg, South Africa and the other in Ebene, Mauritius.

Dmitri Mazepin, the head of the Uralchem group, has prioritised African countries, specifically countries along the Beira Transport Corridor (Mozambique, Malawi, Zimbabwe and Zambia) and the Mombasa Corridor (Kenya, Uganda, Rwanda and Burundi). He visited Zambia and Zimbabwe in February 2018.¹⁹⁰

Uralchem signed a contract with the government of Zambia in 2019 to supply 200 000 tonnes of fertiliser – 150 000 tonnes carbamide and 50 000 tonnes of nitrogen (N), phosphorus (P), and potassium (K), or NPK for short – funded by Afreximbank.¹⁹¹ In 2020 Uralchem was named a regular supplier. According to Mazepin, the main challenges of working in Africa are:

- financial bottlenecks or deficits at state-owned companies, affecting their ability to pay; and
- logistics (Zambia does not have a sea port).

Renova and Lukoil are also interested in entering the Zambian market. 192

Projects

In April 2021, during the third Russia-Africa Forum, Ivan Grosse, the key account director at Power Machines JSC, said that a project to build a 2 142MW Rufiji hydropower plant was in the pipeline.¹⁹³

The Rufiji hydropower project, on the Rufiji River in Stiegler's Gorge, Selous Game Reserve, is of high priority as it will almost double the country's energy generating capacity. The

^{189 &}quot;Russia, Zambia Seal a US\$28 Million Fertiliser Project for Kapiri Mposhi", Lusaka Times, June 8, 2011.

^{190 &}quot;Itogi Vstrech D.A. Mazepina s Presidentami Zimbabwe i Zambii" [Results of the Meeting of DA Mazepin with the Presidents of Zimbabwe and Zambia], Russia24, 2018.

Russia, through Russia Export Centre, became a shareholder in Afreximbank in 2017, providing an institutional platform for promoting Africa-Russia trade. Afreximbank takes a direct risk on African banks by confirming letters of credit issued by them on behalf of African importers. See Dzvinka Kachur, *Russia's Resurgence in Africa: Zimbabwe and Mozambique*, Special Report (Johannesburg: SAIIA, November 2020); Irina Mandrykina and Bez Vyhoda Na Birzhu, "'<u>Uralchem' i 'Uralkali' Otkryvayut Novie</u> Rynki" [Without Access to the Stock Exchange, Uralchem and Uralkali Open New Markets], *TASS*, March 27, 2019.

¹⁹² Prokopenko, "Russia-Zambia: Stages", 9.

¹⁹³ Ivan Grosse, "Power Machines: JSC Presentation", in "Third Conference: 'Russia-Africa'", YouTube, 2021.

anticipated cost of the project, according to Tanzania's federal budget proposal (May 2018), is \$3.6 billion, but experts say that it will be closer to \$6-9 billion.¹⁹⁴

In February 2019 the site earmarked for the dam's construction was officially handed over by TANESCO. However, no Russian companies had tendered a bid, and the contract was awarded to a joint venture by Egyptian companies Arab Contractors (55%) and Elsewedy Electric (45%) at the end of 2018. Arab Contractors is a military-owned company that has little experience in constructing dams except for a 1960s project, when it was a subcontractor on a Russia-led project. Taking into account the close relationship between Egypt and Russia for the past few years, it is possible that Arab Contractors is subcontracting for Power Machines JSC.

TechGlobal and Rosinfocominvest

In his farewell speech, ambassador Konstantin Kozharov said that interdepartmental MoUs on cooperation in ICT, telecommunications and postal services were ready to be signed.

TechGlobal and Rosinfocominvest typically offer ICT support in creating electronic cadastres, building postal addressing systems, transforming postal services, digitalising archives and controlling Internet traffic. TechGlobal is a state-owned ICT company established in response to Western sanctions in 2014 and falls under the Russian Ministry of Communication. It promotes the concepts of 'digital sovereignty', digital colonisation and digital warfare.¹⁹⁶

Avarmma Mining Company

Avarmma Mining Company is a good illustration of the risks faced by investors that enter the Zambian market without political and diplomatic support.

In December 2015 Avarmma initiated a court case against the Zambian government regarding the allegedly illegal transfer of mining rights. According to Avarmma, in August 2015 the then minister of mines and minerals development Christopher Yaluma verbally revoked Avarmma's mining licence. On 10 August 2015 ZNBC News announced that the mining rights had been granted to the people of Kasempa District. On 15 September 2017 the Zambian High Court ruled in favour of Avarmma. However, the Kasempa community appealed against the ruling, and it was overturned in September 2018. Avarmma holds significant gold, copper and molybdenum reserves in its Kasempa Project in Zambia.

¹⁹⁴ Elizabeth Ingram, "2,115-MW Rufiji Hydro Project Construction Launched in Tanzania", Hydro Review, February 15, 2019.

Barnaby Joseph Dye, "Stiegler's Gorge Dam, Tanzania", in Heritage Dammed: Water Infrastructure Impacts on World Heritage Sites and Free Flowing Rivers, Draft Report (Rivers Without Boundaries, May 2019).

¹⁹⁶ Grosse, "Power Machines: JSC Presentation".

¹⁹⁷ ZMCA, *Katenge Resources Limited v Avarmma Mining Corporation Limited and Others* (Appeal No. 153/2017) [2018] ZMCA 328 (4 September 2018); Zambia Legal Information Institute (Appeal No. 153/2017) [2018] ZMCA 328, 2018).

The Extractives Industries Transparency Initiative has published a list of mines with information about their ownership. According to this, Avarmma Mining owned the mining rights to 23 314ha in north-western Kasempa from 2011–2015. The site is situated in the Kasempa chiefdom, and surveys showed that there are copper and gold deposits. The mine is now owned by the Kasempa Community Mining Company, but a mining licence must still be issued by the Ministry of Mines. The company is an initiative of the Kasempa chief, in conjunction with the Save Rural Africa Foundation, founded by the 288 traditional chiefs in Zambia. Promoted by Sato, the aim is to establish five industries in each chiefdom to reduce poverty and unemployment in rural areas.

Other companies that are interested in launching in Zambia and Tanzania are Russia's major agricultural machinery manufacturers, such as the <u>Rostselmash Group</u>, <u>Concern Tractor Plants</u> and <u>PJSC Kirovsky Zavod</u>.¹⁹⁹

¹⁹⁸ Moore Stephens LLP, Zambia Extractive Industries Transparency Initiative (ZEITI) Reconciliation Report for the Year 2013 (Oslo: EITI International Secretariat, 2014).

^{199 &}quot;Zambia Considering Russian Proposal".

New drivers for Russia-Africa cooperation

On 9 September 2020 the Russia-Africa Partnership Forum was established, to coordinate Russia-Africa relations in a first step to implement the strategy behind the Russia-Africa Summit. It is managed by the Secretariat of the Russia-Africa Partnership Forum, which is tasked with organising annual meetings of foreign affairs ministers and a biannual summit for countries' leaders. The secretariat is headed by Bogdanov, on behalf of the Russian Ministry of Foreign Affairs. It coordinates cooperation between various institutions involved in the Russia-Africa relationship, such as the Institute for Africa Studies, Rossotrudnichestvo and the REC, as well as a few newly established structures. The REC, AECAS and Innopractica – with experts from the IAS and alumni associations – is the secret mix that must neutralise challenges and support Russian companies in African markets.

Russian Export Center

The REC was envisioned as a 'one-stop shop' for Russian exporters. It was established in June 2015 to support Russian companies that struggled to secure funding after the introduction of Western sanctions. It is part of Vnesheconombank (under sectoral sanctions) and provides exporters with financial and non-financial support and contributes to Russian-African cooperation.

In December 2017 the REC signed an agreement with the Afreximbank for funding for Russian export projects in Africa. For example, Uralkali supplied fertiliser to Zambia via a letter of credit for \$45 million in 2019.²⁰⁰ This is an important mechanism to reduce the risk of trading operations to which Russian companies facing sanctions otherwise have little access.

In the new Russia-Africa strategy, the REC aims to expand its network through local represen- tation in priority countries. By February 2021, Egypt (which accounts for over a third of Russia-Africa trade), South Africa, Zambia, Angola, Algeria, Nigeria and Kenya were among the key REC partners in terms of non-raw-material imports from Russia.²⁰¹ In April 2021, during the third <u>Russia-Africa Conference</u>, the REC representative also named Tanzania as a priority country.

The REC has two options in developing local representation: either establishing its own branch or finding an accredited local partner with an understanding of the local market

^{200 &}quot;Clava REC: Dostup k Afrikanskim Rynkam Dolzhno Poluchit Bolshe Rossiyskih Eksporterov" [Head of REC: More Russian Esporters Need to Get Access to African Markets], TASS, June 18, 2019.

²⁰¹ Kristina Miroshnichenko and Irina Mandrykina, "<u>Rossia-Afrika: Starie Druzja i Perspektivnie Partnery</u>" [Russia-Africa: Old Friends and Prospective Partners], *TASS*, February 4, 2021.

and the ability to identify a niche for Russian products. In the case of Tanzania, an accredited partner was appointed in 2021.²⁰²

The REC is the main institution that can arrange funding for Russian companies entering the African market, and local representation in African countries would strengthen it significantly.

Association of Economic Cooperation with African States

The non-profit AECAS is a new organisation that will work closely with the REC to coordinate political and diplomatic support for Russian business projects on the African continent. It was established on 21 March 2020 by a presidential directive,²⁰³ but its non-profit registration should give it more flexibility than a governmental institution or state-owned company.

In its first step, AECAS established a model for Russian governmental support for businesses. In this model, information campaigns play an essential role in promoting trade and finding new economic opportunities.²⁰⁴ At its first meeting, the AECAS Secretariat signed an agreement on cooperation with the news agency TASS.

Membership in the association is open to different companies, but it has six primary members: Gazprombank, Transmashholding, Vi Holding, Uralkali, Alrosa and Rosatom. All of these companies are targeted by Western sanctions.²⁰⁵ AECAS is managed by Alexander Saltanov, the Deputy Minister of Foreign Affairs, who is familiar with the African region.²⁰⁶ In 2021 AECAS organised a special webinar on Zimbabwe-Russia cooperation, but there were no public events on Zambia or Tanzania. Of these companies, Rosatom has the strongest presence in Zambia and Tanzania.

Innopractika

Another facilitator of Russia-Africa cooperation is Innopractika, which aims to develop human capital in Russia. This highly influential company is headed by Ekaterina Tikhonova, who is believed to be Putin's daughter. Its main clients and board members are the same state corporations - Rosneft, Transneft, Rosatom and Gazprombank²⁰⁷ - that are involved in AECAS.

In September 2020 Innopractica was one of the organisers of a Russian-Tanzanian online event promoting tourism.

²⁰² Prohorova, "Third Conference: Russia-Africa".

²⁰³ AECAS, "About Us", 2020.

^{204 &}quot;Third Conference: 'Russia-Africa'".

²⁰⁵ US Congress, "US Sanctions on Russia", 2020. https://www.hsdl.org/?view&did=833354.

For example, Saltanov was in charge of official consultations with Zambia in 2010. See Russian Federation, Ministry of Foreign Affairs, "Deputy Foreign Minister Alexander Saltanov Holds Consultations with Zambian Foreign Affairs Permanent Secretary Lucy Mungoma", Press Release, November 2, 2010.

²⁰⁷ Meduza, "Fond Mladshei Docheri Putina Potratil Za 2019 God 819 Millionov Rublei" [The Fund of Putin's Younger Daughter Spent 819 million Roubles in 2019], April 13, 2020.

CHAPTER 6

Conclusion

The 2019 Russia-Africa Summit was a political declaration of Russia's intention to foster greater collaboration with the continent. Following the success of the summit, Russia established several new institutions and improved coordination among the existing ones via the newly established Russia-Africa Forum. The forum is meant to ensure the coordination of historical, cultural and social networks and channel these into economic cooperation under close governmental supervision. In particular, previously less-integrated soft powers such as Russian alumni associations and the Institute for African Studies are now actively involved in the forum, along with the economically focussed Association of Economic Cooperation with the African States (AECAS), REC and Innopractica. AECAS is a newly established NGO that promotes the interests of major state enterprises such as Gazprombank, Transmashholding, Vi Holding, Uralkali, Alrosa and Rosatom. The expectation is that this level of coordination will further Russian interests most effectively.

Russia aims to use nuclear technology for economic and geopolitical gain, and of all the Russian state enterprises, Rosatom has the strongest representation in Zambia and Tanzania. Nuclear technology not only can satisfy demand for energy but can also contribute significantly to the health, agricultural and mining sectors in African countries. Rosatom is the main promoter of nuclear technology on the continent. In Tanzania, Rosatom has access to a uranium mine, while in Zambia, the construction of the CNST has started, with the aim being to construct a nuclear power plant by 2040. After the setback it experienced with the nuclear programme in South Africa, Rosatom's main partner in Southern Africa is Zambia. Russia also contributes to the development of nuclear skills on the continent and, in Zambia, trains 60 students annually.

While both Zambia and Tanzania have signed agreements to explore nuclear options with Rosatom, the prospects of these nuclear programmes are unclear due to a lack of financing and the need for long-term political support. The uranium mine in Tanzania is not in operation because of the lower uranium price, and the future of Zambia's nuclear programme is uncertain under a new regime, especially since the death of ZAMATOM's Msiska. The main unresolved challenge for the nuclear programme remains funding. Russia is reluctant to shoulder all the financial obligations in the heavily indebted Zambia. In 2019 Russia extended Zambia credit of \$145 million to cover the cost of the nuclear programme, and supplied even more nuclear equipment to Zambia in 2020. Russian diplomats have said that Russia would be willing to make a deal whereby it would get access to natural resources in exchange for the nuclear payments, but no agreement has been signed yet. Whether this happens or not, the nuclear programme has already increased the number of political contacts between Zambia and Russia, and allowed the former to develop legislation and significantly increase its capacity to implement such a programme. This, in turn, provides more opportunities for geopolitical links and arms sales.

Over the past decade Russia has steadily increased its military presence on the continent, and by 2020 it had signed contracts with 17 sub-Saharan countries totalling \$1.7 billion. Official data on Russia-Zambia/Tanzania military cooperation is scarce. For the past 20 years there has been only one recorded transaction with Zambia – for the sale of two helicopters – and none with Tanzania. However, diplomatic statements suggest that Tanzania has increased its military cooperation with Russia since 2013. Both Tanzania and Zambia have signed agreements on military cooperation with Russia, and Russian customs data suggests that there might be a regular arms supply to Zambia. The June 2021 parade in Lusaka also revealed that, after many years of using predominantly Chinese suppliers, some of Zambia's latest equipment has been made in Russia. Both Zambia and Tanzania are trying to play an active role in UN African peacekeeping missions, and Russia – with its strong position in the UN – is a desirable provider of and partner in military training. In this regard Russia is positioning itself as an alternative to China, which is still the main arms supplier by far to both Zambia and Tanzania.

Over the past three years, the predominantly agricultural trade between Russia and Tanzania/Zambia has increased. This is partly owing to increased diplomatic dialogue, which provides more opportunities for economic collaboration. However, more long-term strategic partnerships are needed, as the current increase in imports and exports is mainly the result of once-off trading opportunities (Russian companies have little presence on the ground in these countries). To address this challenge, the REC aims to establish local representation in all African countries. In Tanzania, the local partner will be the newly registered Association of Friends of Russia. The COVID-19 pandemic has also provided an opportunity for regular online events that significantly lower the transactional costs of Russia–Zambia/Tanzania business cooperation. While there are new developments that can improve Russia–Tanzania/Zambia economic cooperation, Russia is currently not among the major export and import partners of either these countries, and is unlikely to become one – even with the predicted increase in trade.

Russia has missed an opportunity to convert Soviet Union-era debt into economic gain. Both Zambia and Tanzania had taken on loans from the Soviet Union to upgrade their defence systems. In the 1990s Russia, as the inheritor of that debt, tried to establish joint enterprises that would transition these relationships into a new market economy. However, the example of Tanzania shows that this failed owing to a lack of relevant legislation, inexperience in managing enterprises and political instability. Over the past decade Russia has tried to turn the remaining debt into opportunities for Russian companies. This was achieved in some countries such as Madagascar, but in Zambia and Tanzania negotiations over this debt have made little progress and still form the agenda for bilateral conversation. Russia hopes to translate them into access to natural resources or favourable investments.

Russia has missed an opportunity to become involved in gas extraction in Tanzania, and has little presence in Zambia's copper industry. Russian companies such as Lukoil, RosGeo and others have tried to enter the natural resources market in Tanzania and Zambia, but with no success.

High-level political engagements such as the Russia-Africa Summit initiate more political and business contacts between the countries. Dozens of MoUs were signed at the 2019 event, but owing to a lack of financing few of these agreements have borne fruit.

The COVID-19 pandemic has seen Russia create new mechanisms to extend its political influence. While the Sputnik-V vaccine has been explored by disinformation specialists, it did not have a strong impact in Tanzania or Zambia. However, the way Another economic opportunity for Russia has been around channelling Russian tourists to certain countries. The tourist influx created by the Russian decision to open its borders with only three countries created an influx of Russian tourists in Zanzibar from August 2020 to April 2021. Just a few weeks after the death of Magufuli, in April 2021, Russian flights to Zanzibar were cancelled.

Despite its active political involvement on the continent over the past few years, Russia's economic and military cooperation with Zambia and Tanzania remains far behind that of the dominant players - China, UAE and the UK. With the 2022 Russia-Africa Summit planned for October-November 2022 in Addis Ababa, Russia hopes that political dialogue and strong cultural and social connections can compensate for its stagnant economy, lack of financing mechanisms and the restrictions posed by Western sanctions. However, to succeed in Africa Russia needs to move beyond the multiple MoUs, come up with new ways of funding projects, and make its concrete proposals less geopolitics-heavy and more economically transparent.



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